STATE OF CALIFORNIA
SECRETARY OF STATE
VOTING MODERNIZATION BOARD MEETING

SECRETARY OF STATE
AUDITORIUM
1500 11th STREET
SACRAMENTO, CALIFORNIA

FRIDAY, MAY 18, 2012
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APPEARANCES

Board Members: Stephen Kaufman, Chair
Michael Bustamante Vice Chair
(Appearing Telephonically)
Carl Guardino
(Appearing Telephonically)
Tal Finney

Executive Officer: Jana M. Lean

Staff
Consultant: Katherine Montgomery

Executive Assistant: Stacey Jarrett

Also Present: Robbie Anderson
Ryan Macias
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CHAIR KAUFMAN: All right. Let's call the meeting of the Voting Modernization Board to order.

MS. MONTGOMERY: Stephen Kaufman?

CHAIR KAUFMAN: Here.

MS. MONTGOMERY: Michael Bustamante?

VICE CHAIR BUSTAMANTE: Here.

MS. MONTGOMERY: Tal Finney?

MR. FINNEY: Here.

MS. MONTGOMERY: Carl Guardino?

MR. GUARDINO: Here.

CHAIR KAUFMAN: Okay. Welcome everybody to the first meeting of 2012 for the Voting Modernization Board. It's been some time since we actually held a meeting, so it's good to see everybody back in action. Even though my fellow board members are not visible, I'm glad to see that everybody is participating today. So welcome.

We have a few things on our agenda we'd like to cover, so the first thing is, do we have any public comment?

MS. MONTGOMERY: No.

CHAIR KAUFMAN: Have we received any cards?

MS. MONTGOMERY: No.
CHAIR KAUFMAN: No cards. Okay.

So let's go to Item No. IV on the Agenda, the adoption of the February 24th, 2011, Actions and Meeting Minutes.

Do we have a motion to approve the minutes?

MR. FINNEY: I'll make a motion. Tal.

VICE CHAIR BUSTAMANTE: Second. This is Michael.

CHAIR KAUFMAN: Good.

Since, you know, some people aren't here, do you want to just do roll-call vote?

MS. MONTGOMERY: Sure.

Stephen Kaufman?

CHAIR KAUFMAN: Approve. Yes.

MS. MONTGOMERY: Michael Bustamante?

VICE CHAIR BUSTAMANTE: Yes.

MS. MONTGOMERY: Tal Finney?

MR. FINNEY: Approve.

CHAIR KAUFMAN: Carl Guardino?

MR. GUARDINO: Well, I'm going to abstain because I was not present.

CHAIR KAUFMAN: Fair enough. Three ayes. One abstention. We'll adopt the minutes.

Item No. V is the Project Documentation Plan Review and Funding Award Approval for Humboldt County.
This is Phase 2 for Humboldt County.

And Katherine, if you could go through the report and maybe just refresh everybody with regard to the initial phase of Humboldt County's allocation.

MS. MONTGOMERY: Humboldt County's Phase 2 Project Documentation Plan meets the requirements for completeness. Humboldt has replaced their Premier AccuVote system originally purchased in 1995 with 80 units of the HART InterCivic eScan system.

Humboldt County was using Diebold Premier AccuVote Optical Scan units, and it became necessary for county staff to program an election in two separate systems. Such a duplication of effort was not an efficient use of resources. The AccuVote Optical Scan units were purchased by Humboldt County in 1995 and were reaching the end of their useful life, which resulted in increased maintenance costs to the County.

The HART InterCivic eScans and related equipment were purchased and deployed for the first time in the November 2009 UDEL Election.

The HART InterCivic eScan system was conditionally approved by the Secretary of State on December 6, 2007, and is fully compliant with federal and state law. Humboldt County's system offer voters both DRE and optical scan ballots. Humboldt County
continues to provide paper ballots to disabled voters who prefer to vote on paper. Humboldt County has booths accessible to voters in wheelchairs and they continue to provide supply precinct board members with magnifiers, voting pen grip adapters, and instructions in large print. Humboldt County also provides curbside and assisted voting.

Please note that the staff-proposed funding award is based upon allowable reimbursement under Proposition 41 for voting equipment hardware and software only. The extended service maintenance line items listed in the Humboldt County contract with HART InterCivic would not be covered as a reimbursable claim under Proposition 41.

It is our recommendation that Humboldt County's Phase 2 Project Documentation Plan be approved and a Funding Award Letter be issued in the amount of $313,833.48.

CHAIR KAUFMAN: Okay. And we have a representative of Humboldt County here with us this morning, so if you'd like to come up and provide any comment or make a presentation, that would be welcome.

MS. KELLY SANDERS: Thank you. My name is Kelly Sanders, I'm the Elections Manager for Humboldt County.

CHAIR KAUFMAN: Kelly, before you go forward,
can you guys hear on the phone?

VICE CHAIR BUSTAMANTE: It's a little hard to hear. Please speak up a little bit.

CHAIR KAUFMAN: Try to speak as loud you can.

MS. SANDERS: Sorry. I'd like to thank the members of the Board for providing us the opportunity to meet here today, and also the Secretary of State staff.

Humboldt County did purchase the HART InterCivic eScan equipment and related ballot tallying system, along with DFM's database management system in 2009, and we successfully implemented that in the 2009 November UDEL Election. The system seems to be a great fit for Humboldt County and assists us in providing secure and reliable voting systems for the voters of Humboldt County, and we're hoping for approval of our request today.

Thank you.

CHAIR KAUFMAN: Before you run away from the microphone, I had a question for you, and then maybe some of my fellow Board members have a question.

I was noting in the Executive Summary -- and this, I think, has less to do with your request than the big picture here because, as you may have seen on the agenda, we're also going to be looking at some issues going forward; and it's important for us board members
to understand what's going on with the available
equipment out there and what issues the counties are
facing at this point in the process ten years down the
road now from when this Board was created. And I did
note that in your report you referred to the fact that
you had identified some serious flaws in the GEMS
system, GEMS system, during the November of 2008
presidential election --

MS. SANDERS: Correct.

CHAIR KAUFMAN: -- as a result of your own
internal audit.

MS. SANDERS: Right.

CHAIR KAUFMAN: And I'm wondering if you could
just share with us what your experience was with that
system and what came out of it.

MS. SANDERS: With the GEMS system?

CHAIR KAUFMAN: Yeah. And what were the
findings; what were the issues that were identified.

MS. SANDERS: What happened in the 2008
presidential election, the GEMS system dropped an entire
deck of ballots from our system. Sometimes when we are
scanning ballots if it looks like we can't count the
ballots first and how many are going through the feeder
and if it didn't match with what the machine read --

CHAIR KAUFMAN: You hand count just how many
ballots there are?

VICE CHAIR BUSTAMANTE: Stephen, is there any way to give her a microphone or something?

CHAIR KAUFMAN: She has a microphone, but I think she just needs to move a little closer.

MS. SANDERS: Yeah. Sorry.

But whenever the system would -- the total amount of ballots that went through the system would conflict with what the hand count was, we would delete that batch and rerun it. Unfortunately, the GEMS system in that process deleted the very first batch, the zero deck, and it was unknown to Humboldt County that that was an issue with that system; so it deleted a deck that we did not intentionally want to delete. And this was caught through the Humboldt Transparency Project.

They did a scan of all of the ballots in Humboldt County after an election, and we noticed that we were missing, I think it was, around 270 ballots from the November 2008 election. So we contacted Premier, and they got back to us and said yes, that indeed was a flaw with their system.

And a memo had gone out on that, but staff had changed in Humboldt County and the information had not gotten passed along to the newer staff. And subsequently our voters contacted the Secretary of
State's office and an investigation was performed, and
as a result of that the GEMS -- that version of the GEMS
system was decertified by the Secretary of State.

CHAIR KAUFMAN: And that identification took
place well after the election results were certified.

MS. SANDERS: It was right after they were
certified, yes.

CHAIR KAUFMAN: Do any of you gentlemen have any
questions for Humboldt County?

(No response.)

CHAIR KAUFMAN: Okay. Hearing none, would
anyone like to make a motion to approve the funding
request for Humboldt County?

MR. GUARDINO: Motion to approve for the staff
recommendation for the funding request for Humboldt
County.

MR. FINNEY: I'll second.

CHAIR KAUFMAN: Tal Finney seconds.

Again, since everybody is not here, why don't we
do a poll.

MS. JARRETT: Michael Bustamante?

VICE CHAIR BUSTAMANTE: Aye.

MS. JARRETT: Chair Kaufman?

CHAIR KAUFMAN: Aye.

MS. JARRETT: Tal Finney?
MR. FINNEY: Aye.

MS. JARRETT: Carl Guardino?

CHAIR KAUFMAN: Carl?

MR. GUARDINO: Suddenly it's really hard to hear you, but she said my name, and it's "Aye."

CHAIR KAUFMAN: Okay. Congratulations Humboldt County, and we wish you success with your new system.

MS. SANDERS: Thank you very much.

CHAIR KAUFMAN: Okay. We have a couple of staff reports to go through. The first one is something that was requested of the Board at the last meeting way back in February of 2011. We talked about the fact that here we are ten years later and we're still sitting on a lot of money. And it looks like by the most recent tally there's still $65 million worth of funding available sitting there remaining for potential second allocation. And we shaped a survey to go to all the counties to get a sense of how the counties were feeling about the status of their purchases and whether they were going to be looking for more funding from this Board. And we sent out a survey in -- March?

MS. MONTGOMERY: I believe it was April.

CHAIR KAUFMAN: April. Okay. The survey went out and we got a nice response, and I'll ask the staff to provide a report on the responses we've received.
MS. MONTGOMERY: Just a quick survey of the survey, a couple of quick items. Fifty of the 58 counties responded to this survey. And like Stephen said, that's a pretty good response. Of the counties that responded, 90 percent are interested in applying for a second round of funding for additional voting equipment if it is made available.

Of the 25 counties who responded and still have remaining funds, 84 percent of them plan to use their remaining initial formula allocation funds.

Also, a large number of the counties who reported being interested in modernizing their current voting systems are concerned about the lack of approved voting systems currently on the market in California.

CHAIR KAUFMAN: And that's that.

MS. MONTGOMERY: That's that.

CHAIR KAUFMAN: You know, it seemed to me in a lot of the responses it was apparent that many of the counties would like to get new voting equipment but don't feel that there's an adequate system for them to do so. And I'd like to hear from staff regarding what the status is of the certification process and where things stand in terms of the available systems, particularly since L.A. County has made it known that they don't feel that there is a system that is available
for them right now that can adequately serve the largest
voting district in the country. So perhaps staff can
address that issue.

MR. MACIAS: Yes. This is Ryan Macias with the
Office of Voting Systems here at the Secretary of
State's Office.

As for L.A. County, as we all know, they're
running their VSAP right now, which is Voting System
Advisory Program, I believe. We have not had an
intimate involvement in that process, so I can't really
speak to what it is they are looking for.

The latest I heard is that they are planning to
work with a vendor to create a system from the ground
up; therefore, nothing that is currently in the EAC
process for testing is, one, adequate to them or, two,
something that they are even looking to use. I know
their goal is by 2015 to be implementing a brand new
system that will be built from the ground up.

However, as for the rest of the EAC and voting
systems testing certification process, just recently we
had one new voting system get certified by the EAC. It
has been stated that they will be coming to California.
This voting system vendor is Unison, with the voting
system entitled "Open Elect version 1.1." It is the
same vendor that currently is in use that created the
InkaVote Plus System for L.A. County, but this system is not a generation of that system; it is actually something that was built from the ground up. That is the only system that is out there currently that has been certified by the EAC.

There's three other systems that we have approximate dates for certification and for approval that would be an upgrade to the election systems and software. It's entitled "Unity 3.4.0.0," and it is basically an updated system to what is approved in California right now, which is Unity 3.0.1.1.

And in the survey you will see multiple people who are talking about wanting to go to single-count scanners, specifically the Model 850. This would allow for that. The Model 850 is the central count system that is incorporated in the 3.4.0.0 system. Currently, at the EAC a test plan has been submitted and testing has begun, with an approximate date of completion of November 2012.

The next system would be Dominion Democracy Suite 4.9, which is a modified system of the currently certified Democracy Suite 4.6, which was just certified earlier this month by the EAC. But it is not currently in a state that would meet California requirements so they are going back with minor modifications. Minor
modifications normally take in the realm of three to six months to get through the EAC. And with that stated, the test plan has begun and testing also has begun, and we are looking -- our understanding is an approximate date of November 2012 to be done with the EAC.

And, lastly, would be the Dominion Premier Assure 1.3. This is an upgraded GEMS system. They changed the name to the Assure 1.3, but it is a newer generation of the GEMS system, and it currently has an approved test plan by the EAC and an approximate date of September of 2012 to be completed at the EAC.

The Dominion has stated that they are not sure whether or not they are going to bring that system to California, because they're waiting to find out whether the jurisdictions are going to express interest in actually bringing in that system.

CHAIR KAUFMAN: When you said September 2012, that was at the EAC?

MR. MACIAS: That's at the EAC. All these dates are at the EAC. Although we've heard talk from most of the vendors that, you know, the systems are planning to come to California, you know, it's going to be up to them. There's no outstanding applications at this time. But I'm going to actually regress a little bit. Yesterday there was an announcement that Mark
Robbins, who was the executive director -- acting executive director at the EAC, was sworn in to a new position; so currently we do not even have an acting executive director at the EAC. And what that ultimately means is -- the acting executive director was the sole person that was allowed to make a certification decision on voting systems, so until we have a new acting director in place, basically we're at a standstill at this point on voting system certification of the EAC process.

CHAIR KAUFMAN: So if that's the November 2012 and September 2012 dates, even if we had an acting executive director, those would be the best dates coming out of those systems.

MR. MACIAS: Coming out of the three of the four that have yet to be certified. And, like I said, we put the Dominion Premier Assure -- we're still looking at September-ish, if they decide to bring it to California. But ES&S and Dominion have stated that they are definitely bringing those new systems forward, you know, after the November date.

MS. LEAN: If they bring them forward, how long will it take California?

MR. MACIAS: Approximate dates or approximate time frames is around three to six months per system,
and that's going to depend on the system itself, the technology, whether it's an upgraded system or a brand new system, the amount of testing that's going to need to take place; but a good estimate is between three and six months for the entire process.

CHAIR KAUFMAN: So at best we're looking at mid-2013?

MR. MACIAS: That's correct.

VICE CHAIR BUSTAMANTE: I have a question. You had referenced California requirements, which stands above and beyond the EAC's requirements. What is that requirement?

MR. MACIAS: Well, there are multiple requirements here in California that are different than the EAC. The EAC specifically states that they are testing the technology, and to basically meet the voting system -- the voluntary voting system guidelines of 2005 as a system as a whole, but the EAC has always recommended that states do their own testing to meet specific state laws.

The system I referred to was the Dominion Democracy Suite 4.9 system. I do not know what criteria they did not meet, but some of the things that the EAC does not test would be California specific rotation, California specific ballot layout information; and so,
you know, other election definition criteria that is
specific to California election law.

CHAIR KAUFMAN: Other questions?

Well, obviously, not having any certified
systems makes it difficult for counties to move forward
and us to move forward with any plan of action regarding
cutting off the first round of funding or implementing a
second round of funding; so we appear to be hamstrung by
the process, which is discouraging at best.

VICE CHAIR BUSTAMANTE: I have a question. The
requirement that you mentioned in election law, is that
State legislation or is that at the Secretary of State
level?

MR. MACIAS: That is State legislation.

VICE CHAIR BUSTAMANTE: Okay. So what can the
Secretary of State's office do to help speed this
process up, because right now from the time that
somebody submits at the EAC to the time that it is
approved in California -- generally speaking, what's the
time frame?

MR. MACIAS: That's a very difficult question,
because the EAC process has taken anywhere from --
there's currently a system in the EAC process that has
been there since December of 2007, I believe, that still
has not made it out.
VICE CHAIR BUSTAMANTE: Well, let me ask you this: So once the EAC has approved, what is California's time frame?

MR. MACIAS: That would be approximately three to six months to get through the entire testing approval process, which includes holding public hearings and, you know, all of that. It's approximately 36 months.

VICE CHAIR BUSTAMANTE: So has the Secretary of State's office engaged the EAC at all to try to find a way to speed up the process, given, you know, the largest county in California and one of the largest counties in the country is hamstrung to modernize its equipment?

MR. MACIAS: Yes. We've had multiple discussions back and forth with the EAC. Our office works directly with the voting system testing and certification team at the EAC, and we've discussed many options.

We've even discussed internally if there would be any options to speed it up in the State as well. But, you know, again, as for L.A. County specifically, you know, they are taking a different role or a different approach with what they're doing with their VSAP, and basically stating that there's nothing that is currently out there that would work for them in creating
a whole new process in trying to find out what will work for them and then begin creating a system from the ground up.

VICE CHAIR BUSTAMANTE: So do you agree with that statement of theirs that there is nothing available for them?

MR. MACIAS: I can't answer that question, not being intimately involved in running Los Angeles County's election. I think there are systems out there that will work for jurisdictions within the State of California and meet California law, but as for the implementation for Los Angeles County specifically, I can't really answer that question for them.

VICE CHAIR BUSTAMANTE: Sure. I understand. Los Angeles has said that, I think, that they were looking to trying to having it implemented for 2015/2016, something like that. Is that correct?

CHAIR KAUFMAN: That is what we're being told, yes.

VICE CHAIR BUSTAMANTE: So if the EAC has a process that goes anywhere from, you know, five days to six years and you have a process that goes anywhere from three months to six months, how confident are you that L.A. County, in search of a brand new system that has never been even thought of yet, will be in a position to...
implement something by 2015 or 2016?

MR. MACIAS: I would say that the process that they are going through and building a system from ground up has been -- my experience and what I have seen through the EAC systems that have been built from the ground up have actually gone through a lot quicker because they are not based on legacy code and based on the legacy system that are just getting upgrades and changes to them; they're actually being built, you know, specific to meet the voting system guidelines of 2005.

So I would feel fairly confident in that process of being able to go through by 2015 or 2016 if L.A. County begun building the system on the time frame that they're looking at, which is early 2014, I believe. I feel fairly confident they can get through, as long as we have an executive director and an EAC available.

VICE CHAIR BUSTAMANTE: Thank you.

CHAIR KAUFMAN: Part of the problem has been that the EAC -- forgetting about whatever time it takes for them to do something -- they haven't even had anybody there.

MR. MACIAS: As for voting system testing certification, you are correct, they have not had a quorum; they have not had members. But as for voting system testing and certification, that process does not
need a quorum nor does it need EAC membership. That is the sole discretion of the executive director to be able to make testing and certification decisions. So that has been the good news, up until yesterday when Mr. Robbins left the EAC. But that was the one portion of the EAC that was still moving forward quickly and proficiently.

CHAIR KAUFMAN: Anyone else? Carl? Tal?
MR. FINNEY: Not for me. Thanks.
CHAIR KAUFMAN: Did we just lose somebody?
VICE CHAIR BUSTAMANTE: Sounds like we did. I'm here.
MR. GUARDINO: I'm here too.
CHAIR KAUFMAN: All right. Well, I don't know that there's much of a decision we can make regarding this. And, frankly, we don't have a decision on the Agenda, but it sounds like we're going to have to continue to take a wait-and-see attitude with this. It would be great if we as Board members could get an update from you all when and if the EAC does something to replace the executive director.

I do know we have a comment card from Kim Alexander, so before we close this topic, Kim, if you'd like to approach.

MS. KIM ALEXANDER: Good morning. Thank you for
letting me speak at this part of the Agenda. I thank you, too, for the meeting today and the excellent staff report and the discussion about Humboldt. That was really helpful.

I just wanted to let you know I'm involved in a group called the Future of California Elections and working with a number of nonprofits and election officials in California to tackle some of the challenges that we face with voting systems and other issues of our election process. And one of the things we are looking at is the certification process and, in particular, L.A.'s challenge, which is one county that is, as mentioned, the largest county in the country.

There is an opportunity for L.A. to engineer the next generation of voting equipment. Not just for L.A. but for everybody. And a lot of people realize there's this great opportunity, but it requires us to think creatively about how we're going to get from here to there.

I never thought I would say this in this room, but I would like us to consider opening up a discussion about maybe making the Prop 41 money more flexible so that maybe as a one-time expenditure we would consider -- or not endorsing it but just something to consider -- allowing Los Angeles County, in particular,
to spend its significant allotment of Prop 41 money in part to develop its system and not have to wait for something that's coming out of the already certified funds; because, clearly, if we do that, we may be waiting beyond when all these needs could be met.

So I just wanted to kind of put that out there. I hope you might fill that into your discussion. Obviously it will take change in the legislation to do that, but I think there are a lot of people who would be interested in pursuing that. I just wanted to mention that.

CHAIR KAUFMAN: Thank you, Kim. You should know that I've actually had a conversation similar to that with L.A. County.

MS. ALEXANDER: Okay.

CHAIR KAUFMAN: I do think it's going to take looking at things a little bit beyond where we are, and I think there are legislative issues that are involved. So I think, you know, we'll have conversations with the Secretary of State's Office about where to go with that.

MS. ALEXANDER: Great. Thanks a lot.

CHAIR KAUFMAN: Okay. Given where we're at there, I guess let's move on to the second staff report, Item VI(B), relating to -- well, counties who are going through a transition and perhaps moving on to other
voting equipment and what happens with the original
ing voting equipment.

MS. MONTGOMERY: On September 16th, 2002, the
Voting Modernization Board adopted policies and
procedures regarding the distribution and use of the
bond funds authorized by the passage of Prop 41. One
policy that was adopted stated that if a county received
a rebate or reduction in the price of the voting system,
the county shall refund the board in the same proportion
that the State provided funding for the voting system.

In July 2011, several counties inquired about
selling surplus voting machines, seeking direction with
regard to reimbursement from the Voting Modernization
funds a portion of the proceeds from the sale of the
equipment.

On July 7, 2011, under the direction from the
Board Chair, the staff issued CCROV Memorandum
No. 11045. This CCROV instructed that while the
counties did not need explicit permission from the Board
to sell surplus equipment that was purchased with Voting
Modernization bond funds, they were required to return
the proportionate amount of the proceeds of the sale to
the Voting Modernization Fund that was used to purchase
that equipment. Accordingly, where a county used Voting
Modernization bond funds to purchase voting equipment
and now is selling equipment, 75 percent of the proceeds must be returned to the Voting Modernization Fund. The remaining 25 percent of the proceeds can be retained by the county.

The policies set forth in September 2002 did not specify the disposition of the funds that had been returned to the Voting Modernization Fund.

In August 2011, Santa Barbara County returned funds to the Voting Modernization Fund in the amount of $181,700 that was generated from the sale of 143 ES&S AutoMARK Voter Assist Terminals. This money was deposited into the Voting Modernization Fund.

The question for the Board is when a county sells surplus voting equipment and the funds are returned to the Voting Modernization fund as required, should those returned funds be deposited into a general fund to be reallocated to all counties or should the returned funds be kept in a separate account to be redistributed to the selling county as part of the VMB formula allocation?

It is the recommendation of the staff that when a county sells surplus voting equipment and returns the funds to the Voting Modernization Fund as required, those returned funds should be set aside for the selling county and be returned to that county at such time when
the county submits an application for funding reimbursement and that application is approved.

CHAIR KAUFMAN: Thank you, Katherine.

Fellow Board members, any comments about that?

VICE CHAIR BUSTAMANTE: Well, from my perspective, I couldn't agree more with staff's recommendation.

CHAIR KAUFMAN: And I have to say from my perspective, given the conversation we just had about the fact that we don't even know when the second round of funding will be available to the counties, that it seems short-sighted to hold that money up when it could be put to use by that county again, you know, to address their particular needs; so I would tend to agree as well.

MR. GUARDINO: Yeah. I agree with staff's logic on this as well.

CHAIR KAUFMAN: All right. Do we have a motion?

MR. GUARDINO: Go ahead, Michael.

VICE CHAIR BUSTAMANTE: I'll agree with Carl to move for staff recommendation.

MR. GUARDINO: I will agree with Michael and second it.

CHAIR KAUFMAN: Okay. Again, just for the sake of everybody being able to hear what's going on...
MS. JARRETT: Michael Bustamante?

VICE CHAIR BUSTAMANTE: Aye.

MS. JARRETT: Tal Finney?

MR. FINNEY: Aye.

MS. JARRETT: Carl Guardino?

MR. GUARDINO: Aye.

MS. JARRETT: Stephen Kaufman?

CHAIR KAUFMAN: Aye.

Okay. Good. We don't know when our next meeting will be. It's driven by what the counties need, frankly. Do we have any other rumblings of other potential counties coming before us?

MS. MONTGOMERY: The survey did bring up some rumblings, so it looks like we may have another meeting this year. It would be after the election.

CHAIR KAUFMAN: Yeah. I would imagine most people are concentrating on that at this time. I do think, you know, just as a matter of going forward and what Kim referred to, it would be, I think, appropriate -- we've already begun the discussion on some level -- for the Secretary of State's office to be looking at ways that the Prop 41 monies might be able to be, you know, allocated and distributed beyond those categories that we set out originally in 2002, and what might require a legislative fix and what might be able
to be done by this Board. So, yeah, we'd be interested in hearing about that the next time we're all together.

Do any of you guys have anything else to add before we adjourn? Michael?

VICE CHAIR BUSTAMANTE: Not I, Mr. Chairman.

CHAIR KAUFMAN: Carl?

MR. GUARDINO: No.

CHAIR KAUFMAN: Tal?

MR. FINNEY: No.

CHAIR KAUFMAN: Okay. Then with that, I'll take a motion to adjourn the meeting.

VICE CHAIR BUSTAMANTE: Moved.

MR. GUARDINO: Second.

CHAIR KAUFMAN: All in favor of adjourning?

Aye.

(Ayes in unison.)

VICE CHAIR BUSTAMANTE: Thank you, Mr. Chairman.

CHAIR KAUFMAN: Thank you all for participating, and thanks to all of those in the audience who came this morning. I appreciate it.

(The meeting was adjourned at 10:40 a.m.)

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REPORTER'S CERTIFICATE

I, Jacqueline Toliver, a Certified Shorthand Reporter for the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing hearing was reported in shorthand by me, a duly qualified Certified Shorthand Reporter, and thereafter transcribed into typewritten form by means of computer-aided transcription.

I further certify that I am not of counsel or attorney for any of the parties to said hearing or in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of June 2012.

JACQUELINE TOLIVER
Certified Shorthand Reporter
License No. 4808