



Budget Request Timeline & E-quality Incident Report

Secretary of State Adrian Fontes | February 8, 2026

Timeline and Description:

Friday, February 6, 2026:

- Following the signing of HB2022, internal updates to the back end of the E-qual system tripped a system failure resulting in a sitewide shut down.
- Thanks to the work of our IT team, an administrative fix was identified to rectify the system failure, and the site was relaunched within a few hours.
- After the site relaunch, sporadic reports rolled in of certain candidate files being inaccessible on the E-qual site.

Saturday, February 7, 2026:

- In the morning, staff recognized several cascading irregularities on the E-qual site as a result of a downstream error triggered by the primary election date change on Friday.
- To mitigate further problems, staff worked quickly to alert candidates that the system would be inoperable while they worked to preform routine maintenance checks across the site immediately.
- Staff ultimately identified the underlying issues within the system code and were able to run system testing to ensure proper functioning.
- The system was restored for additional testing in the evening and was officially set to be back online by Sunday, February 8.

Sunday, February 8, 2026:

- All candidates were notified that the site was officially back online.

E-QUAL INCIDENT



January 2023	Submitted amended FY2024 budget request to Leg	Amount	Notes
	<ul style="list-style-type: none"> Physical and Cyber Security Improvements 	\$1,487,600	Not Funded
	<ul style="list-style-type: none"> Critical Election Infrastructure 	\$1,666,471	Not Funded
September 2023	Submitted FY2025 budget request to Leg		
	<ul style="list-style-type: none"> Provide Much Needed Elections, Legal, and PRR Staff 	\$500,000	Not Funded
	<ul style="list-style-type: none"> Modernize and Secure IT Infrastructure 	\$835,700	Not Funded
	<ul style="list-style-type: none"> 2024 Elections Services Expenses and County Operational Support 	\$8,000,000	Funded but restricted by footnotes

January 2024 - April 2024

Elections Services Dept. has an average of 6 supplemental staffers to support Candidate petition filing funded by one-time FY24 Appropriation

BACKGROUND



2024

September 2024	Submitted FY2026 budget request to Leg	Amount	Notes
	<ul style="list-style-type: none"> Modernize Election Management System/Election Night Reporting 	\$3,000,000	Not Funded
	<ul style="list-style-type: none"> Campaign Finance Platform 	\$2,000,000	Not Funded
	<ul style="list-style-type: none"> Off-year Election Costs 	\$500,000	Not Funded
	<ul style="list-style-type: none"> Enhance IT Security 	\$325,000	Not Funded

2025

September 2025	Submitted FY2026 Supplemental budget request to Leg	Amount	Notes
	<ul style="list-style-type: none"> Cybersecurity Infrastructure Modernization and Protection 	\$9,421,000	Not yet Funded
	<ul style="list-style-type: none"> 2026 Election Off-Year Election Costs 	\$675,000	Not yet Funded

September 2025	Submitted FY2027 budget request to Leg	Amount	Notes
	<ul style="list-style-type: none"> 2026 Elections Services Special Line Item 	\$8,000,000	Not yet Funded
	<ul style="list-style-type: none"> 2026 Elections County Operational Support 	\$750,000	Not yet Funded

August 2025

Governor Hobbs gives SOS \$450K in ARPA money following summer cyber attack

BACKGROUND



Final CD7 reimbursement requests submitted by counties | \$4.4M balance available

2025

December 2025	SOS request JLBC review proposal for \$3.5M of unspent CD7 funds	Amount	Notes
	<ul style="list-style-type: none"> Reimburse Counties for FY2026 AVID Payments 	\$1,000,000	Not included on initial JLBC agenda for Jan. 29th meeting
	<ul style="list-style-type: none"> Temporary Cybersecurity Monitoring and Active Management 	\$650,000	
	<ul style="list-style-type: none"> EMS/ENR Programming and Resilience 	\$300,000	
	<ul style="list-style-type: none"> Primary Election Logic and Accuracy (L&A) Testing 	\$50,000	
	<ul style="list-style-type: none"> Ballot Measure Initiative Signature Validation 	\$100,000	
	<ul style="list-style-type: none"> Candidate Petition Signature Validation 	\$50,000	
	<ul style="list-style-type: none"> Rural County Vote Tracking and Verification (BallotTrax and Text2Cure) 	\$250,000	
	<ul style="list-style-type: none"> County Elections Tabletop Exercises (TTXs) 	\$150,000	
	<ul style="list-style-type: none"> County Assistance Fund (IT and Election Administration Assistance) 	\$100,000	
	<ul style="list-style-type: none"> Additional County Elections Workers 	\$250,000	
	<ul style="list-style-type: none"> Physical Security 	\$400,000	
	<ul style="list-style-type: none"> Voter Registration Database Replacement Planning 	\$200,000	

BACKGROUND



December 2025 – January 2026

SOS meets with JLBC chairs and majority of members

January 26, 2026

- SOS sends letter to JLBC asking them to amend agenda to include review of proposal to send \$3.5M of unspent CD7 funds
- JLBC amends agenda for January 29th meeting to include one SOS request
 - Temporary Cybersecurity Monitoring and Active Management \$650,000

January 27, 2026

SOS sends letter to JLBC asking them to amend revised agenda to include all items SOS requested review

January 29, 2026 | JLBC Meeting

JLBC meets, reviews and approves only one of SOS's 11 requests

BACKGROUND



Funding Issue 6 - Physical and Cyber Security Improvements

Ahead of the 2022 midterm election, the federal government issued multiple warnings about increased cyber and physical threats to our elections. Threats against Arizona's election infrastructure, in particular, were high in 2022 and are expected to remain elevated due to Arizona's status as a swing state. In fact, Arizona was one of seven states listed by FBI officials during an October 2022 briefing in which election officials were facing an "unusual level" of threats.

Protecting our election infrastructure against cyberattack requires ongoing and continuous investment. Due to the ever-changing threat landscape, election security is a race without a finish line, and will require ongoing vigilance, review, and resources. While the federal government provides many free services to assist election officials with improving election security, for example, physical security assessments, the federal government does not provide the resources to address the vulnerabilities identified or implement the improvements suggested. **These threats are not hypothetical in Arizona.** In 2016, the voter registration database was hacked. In 2020 and through 2022, state and local election officials faced credible threats to their physical safety. And with geopolitical turmoil increasing, the cyber threats, such as potential for malicious hacking by foreign nation state enemies, facing our election infrastructure are likely to increase as well.

Proposal: Provide \$1,487,600 to the SOS from the General Fund to improve physical and cyber security protection in fiscal year 2024: \$500,000 to provide around-the-clock security for the Secretary; \$250,000 to increase physical security at the Office; \$210,000 for 1 FTE to serve as Election Chief Information Security Officer and workstation equipment for the new position; \$350,000 to conduct a robust cyber security and penetration study; and \$177,600 to purchase additional software and/or licenses to enhance existing IT security.

2023



Funding Issue 7 - Critical Election Infrastructure

The Office of the Secretary of State manages, among other things, the voter registration system, logic and accuracy testing for state and federal elections, election equipment certification, candidate nomination petitions and filings, initiative, referendum, and recall petitions and filings, circulator registration, campaign finance, lobbyist registration and reporting, officeholder financial disclosure statements, public records requests, and public information about elections. There are state and federal statutory and regulatory requirements, procedures, and rules that all must be met and followed. Additionally, there are significant state and federal reporting requirements and a constant flow of complicated and extensive public records requests.

In addition to meeting the statutory and requirements, the Office works in close consultation with the 15 counties that administer the elections, and works with many other local, state, and federal partners in the administration of elections. With the huge turnover in location election staff at the county level, local jurisdictions, particularly in the rural areas, heavily rely on the Secretary of State's office for assistance in overseeing the myriad of complex laws and policies related to elections administration. The Office provides extensive training, technical assistance, legal compliance assistance, communications response strategy and troubleshooting to election officials at the County level now more than ever. Election administration in Arizona has gotten significantly more complex over the years. As Arizona election officials work to balance the benefits of technology, such as speed and accuracy, they have simultaneously built-in layers of safeguards to protect elections from technological failures or intentional tampering. Technological advances have, for example, increased the accuracy of the voter registration database, but must be accompanied with increased security protocols to protect voters' private information and list accuracy. In addition, there are more petitions being filed every year, requiring increased review procedures, which are now stricter and more complicated for signatures

Not only are the demands on the current staff and infrastructure increasing as Arizona's population increases and cyberthreats increase in the face of aging infrastructure, but due to the level of responsibility every staff member in the elections division has, there is no opportunity for cross training or redundancy in positions, which creates significant hardships when people are out sick, take annual leave, or leave the agency entirely for higher paying and less stressful jobs. Current staff in the elections division routinely work 60 hours a week and forego annual vacation and leave. This situation is not sustainable and exposes Arizona's elections to unnecessary risk. Protecting Arizona's election infrastructure is critical. The current staffing levels are insufficient to provide sufficient protection of Arizona's election infrastructure and elections in the current threat environment. Separately, public records requests, which have spiked in the Arizona SoS's Office and in local election official offices across the country, require staff time and management. The Secretary of State prioritizes transparency and to ensure that these requests can be timely responded to, additional staff is required.

Proposal: Provide \$1,666,471 to the SOS from the General Fund to increase the robustness of the state's election critical infrastructure in fiscal year 2024: \$350,000 for two FTEs and workstation equipment for the new positions to provide legal counsel and reduce the backlog of public records requests; \$728,000 and eight FTEs and workstation equipment for the new positions in the Elections Division to protect against failure to comply with existing – and growing – federal and state compliance requirements; \$88,471 to adjust IT department salaries closer to market rate; and \$500,000 to contract for additional IT labor to accelerate existing IT projects.

2024 Elections Services Expenses and County Operational Support

In an election year, the Office of the Arizona Secretary of State is required to cover expenses of certain deliverables and/or processes. There are also critical functions that the department must provide to properly administer the election, and which are funded through the Elections Services Line Item. The AZSOS believes the FY2025 appropriation to the Elections Services Line Item should be no lower than the amount appropriated in FY2023. This is due to multiple factors, including likely high turnout due to the presidential election and a likely increase in initiatives and referendums appearing on the ballot. The AZSOS works in close consultation with counties that administer the state's elections. Since 2020, 11 of our 15 counties have experienced election-staff turnover, including county recorders and election directors. Because of the losses in county election office experience and institutional knowledge, counties—particularly in rural areas—must rely more than ever on the AZSOS for assistance in administering myriad complex laws and policies related to elections.

Proposal: Appropriate no less than \$8,000,000 to Election Services Line Item from the state general fund.

Modernize and Secure IT Infrastructure

Continuous system improvement is a key function of any IT department. Maintaining plans for upgrades and enhancements to the Office of the Arizona Secretary of State IT Infrastructure, application portfolio, and system security is a priority. The AZSOS has lagged behind many other state agencies on migrating operations to the cloud and relies on servers with limited lifespans.

Additionally, the AZSOS relies on many programs and applications created and maintained by internal developers. Staff turnover and retirements require dependence on certain, seasoned staff people and individual contractors with very specific subject matter expertise to maintain IT systems. This is not a reliable staffing model that provides sustainability and continuity of operations for this important infrastructure. The agency should shift from these in-house platforms to modular low-code, no-code products that can more easily and inexpensively be operated and maintained in the future.

Proposal: Appropriate \$835,700 to the AZSOS from the state general fund to modernize and secure IT Infrastructure: \$350,000 to replace agency-owned servers with cloud hosting platforms; \$150,000 to replace laptops and other devices that have reached the end of their useful life; and \$335,700 to hire two new FTEs.

OFF-YEAR ELECTION COSTS

Historically, the SOS receives funding solely for general and primary election expenses in odd-numbered fiscal years. However, recent statutory changes to election dates, timelines, and election processes have introduced significant costs in even-numbered fiscal years in support of elections. Securing funding for these off-year election requirements is essential to ensure that our election processes remain seamless and effective throughout the entire election cycle. ***These costs include logic and accuracy testing for the primary election, hiring and training temps for ballot initiative petition signature verification, and receiving and reviewing candidate petition signatures which all occur before July 1, 2026.***

Request: Appropriate \$500,000 from the state general fund in FY2026 for expenses related to preparatory activities that occur within FY2026 for the 2026 primary and general elections.

MODERNIZE ELECTION MANAGEMENT SYSTEM/ELECTION NIGHT REPORTING

The AZSOS's current Election Management System/Election Night Reporting (EMS/ENR), developed solely by in-house staff over a decade ago, is outdated and overly complex. With key personnel turnover and retirements, the EMS/ENR is now maintained by a single IT staff member - the only one who has the necessary expertise and has since retired and is working as a highly paid contractor - leaving the system vulnerable to non-malicious malfunction. If this individual is unavailable, AZSOS would be forced to manually compile election results, threatening the timeliness of our reporting. Recent errors during the 2024 primary election further highlight the system's inadequacies. With increased complexities and the growing demands on election officials, we must secure funding to overhaul our EMS/ENR. Failure to do so risks future errors, undermining public confidence in our electoral process and potentially delaying election results at a critical time for democracy. ***Replacing our EMS/ENR will be a multi-year effort due to the complex nature of these systems that have integrations with multiple subsystems and numerous stakeholders. These systems must interface with all Arizona counties and be able to accept data from their internal election systems so coordinating robust requirements gathering sessions and conducting thorough user acceptance testing and training will be of utmost importance for the success of this project. If funding is supplied in FY2026, this system should be online for the 2028 election cycle.***

Proposal: Appropriate \$3 million non-lapsing from the state general fund in FY2026 to develop and \$750,000 annually beginning in FY28 to operate a new EMS/ENR.

2024 | Specific Requests



June 23, 2025 – SOS IT noticed a problem and shut-down candidate portal while we researched what happened and confirm that AVID and ACP remained unimpacted.

June 24, 2025 – Once the issue was identified, IT restored all servers to pre-attack data and made sure the attack was isolated.

July 1, 2025 – SOS released a press statements about the candidate portal being compromised and down: <https://azsos.gov/news/959>

July 3, 2025 – SOS Staff emailed legislators and offered to brief on the cyber attack and budget needs:

- Montenegro
- Carbone
- Willoughby
- Livingston
- Gillette
- Kavanaugh
- Carrol
- Rogers

July 7, 2025 – Sen. Rogers responses to offer of a briefing with, “Unless this breach singularly affects me in particular, a general explanation on email is fine.”

July 8, 2025 – SOS briefed Rep. Gillette and Rep. Wilmeth.

July 15, 2025 – SOS briefed some Democratic legislators.

July 17, 2025 – SOS briefed Senate President Warren Peterson.

July 18, 2025 – SOS briefed media.

TIMELINE (Post-June Cyberattack)





July 24, 2025

Senate President Warren Petersen
Arizona State Senate
1700 W. Washington Street
Phoenix, AZ 85007

Speaker Steve Montenegro
Arizona House of Representatives
1700 W. Washington Street
Phoenix, AZ 85007

Dear Speaker Montenegro and President Petersen:

In keeping with my record of prioritizing security, I am providing an overview of the recent cyber incident involving the Arizona Secretary of State’s Candidate Portal and an outline the proactive steps we have taken to protect the integrity and security of our election infrastructure.

Additionally, please find enclosed a document delineating myths and facts regarding the incident. I am making these resources available to all legislators and I will provide further updates as new information becomes available.

Requests for Resources and Prevention

Since January 2022, the Office of the Secretary of State (the Office) has requested more than \$17 million in one-time and ongoing appropriations for IT and cybersecurity enhancements as part of our FY2024–FY2026 budget submissions. To date, the Legislature has not funded these requests, providing only small one-time appropriations.

Despite limited resources, the Office has leveraged existing funds and federal grants to improve its cybersecurity posture. Key initiatives include:

- Establishing a Chief Information Security Officer (CISO) position and hiring a nationally recognized expert;
- Creating a dedicated security team under the direction of the CISO;

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Phoenix, AZ 85007-2808
www.azsos.gov

July 24, 2025 – SOS sent a briefing letter to all legislators.

August 12, 2025 – At the request of Rep. Nick Kupper, SOS met with House – all members invited.

August 12, 2025 – SOS met with Sen. Kavanaugh and Senate Majority Staff.

September 1, 2025 – SOS submitted FY27 budget that included FY26 Supplemental items: <https://azsos.gov/news/981>

September 30, 2025 – SOS met with Sen. Kavanaugh, Sen. Farnsworth, House and Senate Majority Staff including Gina Swoboda, and JLBC staff.



August 12, 2025 | House Briefing

TIMELINE (Post-June Cyberattack Cont.)



AZSOS FY2026 Supplemental Budget Request - Cybersecurity Infrastructure Modernization and Protection

In June 2025, the Arizona Secretary of State’s Office (AZSOS) successfully contained a foreign cyberattack on its Candidate Portal—an incident that highlighted both the resilience of current security teams and the aging, vulnerable nature of critical election systems. Though no sensitive election infrastructure was compromised, the incident underscored an urgent and long-standing concern: Arizona’s election technologies, security platforms, and associated IT systems are obsolete, fragmented, and under-resourced. **Since January 2023, AZSOS has requested more than \$17 million in one-time and ongoing investments to modernize its IT and cybersecurity infrastructure. To date, the Legislature has provided only one-time appropriations.** Despite these constraints, AZSOS established a Chief Information Security Officer (CISO), launched a cybersecurity unit, and modernized its tools through ad hoc partnerships and grants.

These improvements, however, lack sustainable funding. They cannot fully compensate for legacy platforms built on fragile, decades-old, in-house code with minimal staff coverage—some maintained by a single contractor. These conditions present serious risks to the continuity, transparency, and credibility of Arizona’s elections. AZSOS now requests a transformative investment: a multi-year, phased initiative to fully modernize Arizona’s digital election infrastructure and harden its cybersecurity posture against future threats.

Proposal: Appropriate \$9.4 million from the state general fund and seven FTEs in FY2026 and \$3.7 million annually thereafter to modernize and secure Arizona’s election infrastructure. The request includes the following components:

Solution	One Time	Ongoing
Campaign Finance Replacement - Off the Shelf	\$ 2,500,000.00	\$ 750,000.00
EMS ENR Replacement (Candidate Portal/E-qual) - Off the Shelf	\$ 3,000,000.00	\$ 750,000.00
Cloud Migration - Off the Shelf	\$ 350,000.00	\$ 200,000.00
IT and Security Modernization - In House	\$ 2,500,000.00	\$ 1,000,000.00
Additional FTEs (7)	\$ 1,071,000.00	\$ 1,071,000.00
Total	\$ 9,421,000.00	\$ 3,771,000.00

Immediately reviewing the remaining \$2,850,000 of CD7 Special Election transfer requests will allow the SOS to take essential, time-limited steps to reduce documented cyber, operational, and security risks ahead of the 2026 elections. Additionally, it will also the SOS to reimburse counties for their FY2026 AVID costs, ensuring full funding of the administration of the state's voter registration system.

This transfer does not eliminate all risk, replace aging systems, or resolve the long-term funding challenges facing Arizona's election infrastructure. It does, however, materially reduce the likelihood that known and documented challenges result in preventable system failures during a high-turnout, high-threat election cycle. The SOS has repeatedly identified these risks, proposed targeted solutions, and sought to use already-appropriated funds—at no cost to the General Fund—to mitigate them before statutory election timelines begin. The recent E-Qual system failure underscores that these risks are no longer theoretical. Delaying now carries tangible consequences for candidates, counties, voters, and public confidence.

The SOS views this request as an opportunity for the Legislature to be an active partner in protecting Arizona's elections. Without immediate review of the remaining CD7 transfer items, the SOS will be required to administer the 2026 elections with a system susceptible to operational failures that have already been identified, documented, and communicated—but not fully mitigated. **For these reasons, the SOS respectfully urges JLBC to act without further delay so that Arizona does not enter the 2026 election cycle knowingly exposed to risk that could—and should—have been addressed.**

CLOSING | 2026 JLBC

