

# Division of Elections 2017 Fiscal & Policy Challenges

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# Overview

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Over the next five (5) years, the Division of Elections will face several fiscal challenges in the administration of elections in Alaska. In an effort to facilitate and advance policy discussions about the future of election administration, the division recommended an expansion and reconvening of the Elections Policy Work Group established by Lieutenant Governor Mallott. Working with the division, this group would help create dialogue and recommendations on policy related issues surrounding the administration of elections and could also help identify potential cost savings measures.

Following the 2010 General Election, a review was conducted that included an analysis of election law and procedures, and several recommendations were made to improve the efficiency and administration of elections. The focus of the 2010 review was specifically related to issues, processes, and concerns surrounding the historic write-in campaign for the United States Senate and did not specifically address long-range fiscal challenges related to elections administration in Alaska.

While numerous recommendations and improvements were made following the 2010 review, the division must now focus on challenges in the administration of elections and maintaining the public's trust and confidence during the state's fiscal crisis. Specifically, the division must implement additional state and federal mandates relating to voter registration and language assistance; address challenges relating to the recruitment and training of election workers; and work to replace an aging ballot tabulation system, with an estimated replacement cost over \$6 million.

Working together, the division and the bi-partisan work group will address numerous topics, including:

- Technology
  - Aging voting equipment
  - Online Ballot Delivery System
  - Third-party ballot marking devices
  - Redistricting
- Administration of Elections
  - Election worker recruitment, pay and training
  - Felon voters
  - Language assistance
  - Absentee voting
  - Ongoing implementation of PFD Automatic Registration
- Potential Costs Savings Measures
  - Primary election administration
  - Distribution of Official Election Pamphlet
  - Establishment of permanent absentee voters
  - By Mail elections
  - PFD Automatic Voter Registration– “opt out” during PFD application process

With the large number of paper applications received each election cycle, it takes a tremendous amount of staff resources to enter the information into VREMS. First the applicant's voter registration record must be updated and then the ballot application added to their record.

If the requirement to apply for absentee ballots each year is maintained in Alaska statute, the division needs to implement a more efficient method for receiving and processing absentee ballot applications – such as an online application similar to the online voter registration.

### **In-Person Absentee Voting Locations**

In an effort to improve ballot accessibility for voters in rural Alaska, the division has added over 100 new absentee voting locations throughout rural Alaska since 2013. Each location requires the division to hire and train an absentee voting official. In addition, these new locations required the division to purchase additional voting supplies and ballots.

Under AS 15.20.045, absentee voting locations are open 15 days prior to an election. While the division initially intended to have the municipal or tribal officials serve as the absentee voting official during normal business hours, in many communities the division continues to have a difficult time recruiting these officials.

Many of these locations voted very few voters, if any. In addition to the cost associated with operating absentee voting locations, there are security concerns with distributing ballots and election materials. Many of the locations did not complete their ballot accountability report and/or properly complete voting materials.

In an effort to monitor the effectiveness of voting locations, while at the same time taking into consideration ballot security concerns and fiscal impact, the division may need to fully review each location and the number of voters using the absentee voting services provided to recommend if any site be eliminated. In addition, in order to ensure proper procedures and ballot security measures are followed, the division will aim to establish a comprehensive training program for absentee voting officials.

### **Ongoing Implementation of PFD Automatic Voter Registration**

In the 2016 General election, the people enacted Ballot Measure #1, 15PFVR, which allows for automatic voter registration through the PFD application process. The division anticipates yearly ongoing costs associated with implementing this new statute. The division will incur initial costs of the system configuration changes to VREMS and the initial "opt out" mailing and voter ID card mailing. At this time, the division does not know what the full fiscal impacts of compliance will be.

The division anticipates a large volume of registration changes and new registration each year with 15PFVR, especially as voters move around within state. For instance, in 2016, the division processed over 171,800 registration changes and 31,400 new registrations. It is unknown what the quantity will be until the first PFD-to-voter record match is completed.



Each year, there will be costs associated with mailing the “opt out” notices to the affected voters. There will also be costs associated with hiring additional temporary workers to process updates/new registrations that are unable to be added to VREMS automatically (i.e., a voter’s residence address doesn’t match records in VREMS address library) and to process returned notices and respond to questions. Depending on when the PFD provides applicant information to the division, the number of dedicated staff could be quite high if it is near a registration deadline for an election.

# Potential Cost Savings Measures

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- Primary election administration and separate ballots
- Distribution of Official Election Pamphlet
- Establishment of permanent absentee voters
- By Mail elections
- 15PFVR – “opt out” during PFD application process

## Alaska’s Primary Election

Currently, Alaska produces three Primary election ballots: two separate candidate ballots and one ballot measures only ballot (if there are measures appearing on the Primary election ballot). Each voter may select only ONE ballot.

Under existing political party by-laws for all parties except Republican, any voter may vote the ballot containing the candidates from the Alaska Democratic Party, Alaska Libertarian Party, and the Alaskan Independence Party. To vote the ballot with the Republican candidates, a voter must be registered Republican, Undeclared or Non-partisan.

If ballot measures are scheduled to appear on the Primary election ballot, both candidate ballots mentioned above contain both the candidate races and the ballot measures. In addition, under AS 15.25.060, a separate Primary ballot is printed that contains only the ballot measures and any registered voter may choose this ballot.

The different ballots during a Primary election can cause voter and poll worker confusion. Although workers are trained to issue only one ballot per voter, they sometimes issue voters one of each different type. The 2016 Primary election litigation in House District 40 centered on this very issue.

In light of the state’s fiscal crisis, another topic to consider is who should be paying for a private/closed Primary. Alaska’s constitution outlines the requirement for a General election, but the requirement for a Primary election is only outlined in statute, and has evolved and changed numerous times over the State’s history. Should the legislature change the structure of the Primary election?

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## Distribution of the Official Election Pamphlet

Alaska Statute 15.58.010 requires at least one official election pamphlet to be distributed to each household identified from the official registration list. In addition to the pamphlet for the General election, if there are measures on the Primary ballot, a ballot measures only pamphlet is printed and distributed.

Each election cycle, the cost of printing and distributing a hard-copy pamphlet continues to increase. For 2016, the division spent approximately \$350,323 to produce, print, and distribute the pamphlet. The cost to produce the 2014 pamphlet was approximately \$348,945.

With these increasing costs and developing technology, should the legislature consider doing away with the hard-copy, printed version of the pamphlet and replacing the pamphlet with an electronic version that can be posted online?

## **Establishing Permanent Absentee Voting**

In 2016, the division processed 45,753 absentee ballot applications. As more and more Alaskans are choosing to vote absentee, allowing a voter to use a single application to request absentee ballots for all future elections will reduce the amount of resources it takes to process applications. Since 2007, some form of permanent absentee voting has been introduced during each legislative session.

Based on the most recent legislation (HB 1), a voter may apply to be a permanent absentee voter. The division would automatically send such voters the ballot for any state conducted election the voter is eligible to vote. The voter would remain a permanent absentee voter unless the voter does not vote in this manner for four years or if any mail addressed to the voter comes back as undeliverable, consistent with the division's list maintenance statutes. Voters may ask to be removed as a permanent absentee voter at any time.

## **By Mail Voting**

The precinct-based ballot tabulation system used in Alaska is nearing its end-of-life and will eventually need to be replaced. This provides a good opportunity for the state to consider alternative voting methods for state and federal elections.

In 2016, 32% of Alaskan voters used an alternative method of voting (by mail, electronic, or in person) and the division anticipates this trend to continue. Starting in 2018, the Municipality of Anchorage plans to conduct their municipal elections entirely by mail, and has already secured a new ballot counting system and signature verification system specific to vote by mail. With the largest municipality in Alaska going to vote by mail, approximately 40% of the registered voters in Alaska will be included in vote by mail elections.

Currently, three states (Oregon, Washington and Colorado) use vote by mail exclusively for all elections. Another 22 states allow certain, but not all, elections to be conducted entirely by mail, including Alaska. In Alaska, the division conducts some of the Rural Educational Attendance Area (REAA) elections by mail as well as special elections such as incorporation and liquor option elections.

Although the division has not conducted a full cost analysis, the division anticipates that conducting elections by mail would result in a cost savings. For instance, mailing a ballot package to every registered voter is less expensive than paying for election workers, election worker training, and



polling place rental. Vote-by-mail would also eliminate the type of human error inherent in polling place voting and could mean increased voter convenience. The division would save money on the cost of ballot tabulation equipment, maintenance, and shipping. The division also anticipates a potential cost savings related to polling place supplies and equipment such as various election forms, miscellaneous polling place supplies (pens, posters, handbooks, flyers, etc.), voting booths, tables, chairs, and accessibility tools, although unique considerations of mail service in rural Alaska would need to be carefully considered.

### **PFD Automatic Voter Registration “Opt-Out” Process**

Under 15PFVR (discussed above), the division must send a notice to those voters whose address on their permanent fund dividend application is different than their voter record address, or to applicants who are not currently registered to vote, to notify them that the information on their PFD application will be used to update their voter registration or register them unless they “opt-out” within 30 days.

It would save costs if the “opt-out” provision was included in the application process, rather than waiting until after the application is submitted. The division recommends PFD applicants be given the opportunity to “opt-out” of using their PFD information for voter registration when they are completing the application. A simple check-box incorporated into the application could be used, and if selected, the PFD data transferred to the division would not include those records where the applicant selected to “opt-out” of voter registration.

Allowing for “opt-out” during the application process would save costs in mailing a notice to each applicant as well as in staff time processing the notices. Although it is unknown how many PFD applicants are not registered or who have a different address on their PFD application than what is on their voter records, the division anticipates it will have to send out a large volume of notices in the first several years of implementation.