Division of Elections
2017 Fiscal & Policy Challenges

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Overview

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
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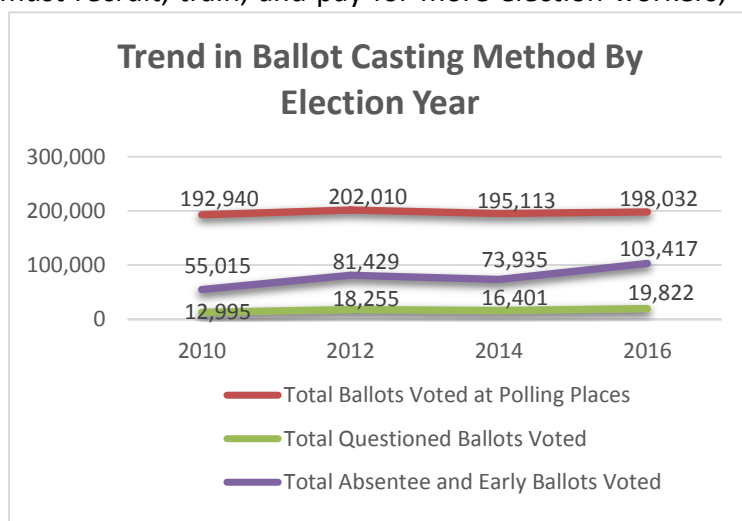
Background of Election Administration

The Division of Elections is responsible for all core election related services such as:

- **Voter registration activities for the State of Alaska.** As of April 3, 2017, there were 516,123 registered voters in the State of Alaska. The division maintains voter information records, including voter history, for each registered voter. In 2016, division staff processed 212,239 voter registration forms that included both updates to existing voter records and new voter registration applications.
- **Administration and oversight of statewide and federal elections.** In addition to the statewide primary and general elections in even-numbered years, each year the division conducts the school board elections for Regional Educational Attendance Areas. The division is also responsible for conducting local option, incorporation, consolidation, dissolution, and recall (state official) elections.
- **Oversee and administer the petition process for initiative, recall, and referendum petitions for questions being placed on state ballots.** As part of this process, division staff performs signature verification on all petitions submitted. For the most recent petition processed, 15PFVR, the division verified 42,493 signatures within 60 days.

In order to effectively and efficiently perform the core election related services, the division is divided between the Director's Office and four regional election offices. In addition, the division has an Absentee & Petition Office in Anchorage and a satellite regional office in Wasilla that covers the Matanuska-Susitna Borough. There are a total of 27 permanent staff positions in the division.

Conducting an election is an enormous undertaking. There are 441 precinct polling places across the state. When preparing for elections, the division must ensure that each polling place is adequately staffed with trained election workers and must ensure there are ballots, supplies, and voting equipment at each location. In addition to the precinct polling places, there are absentee voting locations throughout the state. In 2013, the division received numerous requests from Alaska Native organizations to increase the number of absentee voting locations in rural Alaska. During the 2014 Primary and General elections, the division added over 100 new absentee voting locations. With the increased number of locations, the division must recruit, train, and pay for more election workers, as well as provide additional ballots and supplies necessary for the election at each location.

Over the past four general election cycles, it has become increasingly difficult for the division to plan for the quantity of ballots and supplies needed at each precinct polling place due to changes in voting trends and methods. Instead of casting their ballot at the precinct polling place,

Trend in Ballot Casting Method By Election Year

	2010	2012	2014	2016
Total Ballots Voted at Polling Places	192,940	202,010	195,113	198,032
Total Questioned Ballots Voted	12,995	18,255	16,401	19,822
Total Absentee and Early Ballots Voted	55,015	81,429	73,935	103,417

voters are increasingly choosing alternative voting methods (absentee/early) when voting. This trend makes it difficult to plan for an adequate number of workers, ballots, and supplies at the precinct polling place, which may cause issues such as too many or too few ballots.

During the 2016 general election, approximately 32% of the voters voted via an alternative method. A record number of voters, 39,242, voted early at the regional office voting stations and the division fully anticipates this trend to continue. The below table provides an overview of the voting trends since 2010:

Voting Statistics	2010	2012	2014	2016
Total Number Eligible Voters	494,876	506,432	509,011	528,671
Total Ballots Voted at Polling Places	192,940	202,010	195,113	198,032
Total Questioned Ballots Voted	12,995	18,255	16,401	19,822
Total Absentee and Early Ballots Voted	55,015	81,429	73,935	103,417

With the passage of the Help America Vote Act (HAVA) in 2002, the division received federal funding to implement new federal mandates and to make improvements to the administration of elections. The HAVA funds were utilized as outlined in the HAVA State Plan. As an example, HAVA funds were used for:
- Purchasing HAVA-compliant accessible voting equipment for each precinct polling place, and paying for the annual warranty and maintenance agreements for the equipment.
- Expanding the number of communities that use optical scan voting equipment to count ballots.
- Conducting security studies by UAA and implementing all security recommendations.
- Replacing the voter registration and election management system. The old system was developed as a mainframe system in 1985 and was outdated. The new system utilizes modern technology that enables the division to provide additional tools and resources for voters, as well as increase efficiency for processing voter registration documents.
- Implementing an online voting solution and compliance with new mandates under the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA).
- Opening and staffing the Wasilla satellite office and Absentee & Petition Office.
- Purchasing automatic absentee ballot mail processing equipment so the division can prepare absentee ballot mailings in-house and not have to contract for the mailing. This equipment also enabled the division to more efficiently prepare ballots for mailing, which in turn allows voters to get their ballots earlier.
- Language assistance improvements to ensure limited English proficient Alaska Native voters have the information and resources available to them to effectively cast their ballot.
- Various Interactive Voice Recording (IVR)and web improvements, including online status for voter registration and absentee ballots.
- Remodeling ballot rooms and office space to accommodate the additional accessible voting equipment, shipping containers, and components necessary to operate such equipment.

Congress appears unlikely to authorize any further HAVA funding to the states, and presently allocated funds are almost depleted. With the diminished HAVA funds, the division now faces fiscal

challenges to maintain the same level of service to voters and in the administration of elections in Alaska.

Technology

Ballot Tabulation System

In 1998, the Alaska Legislature funded the replacement of the state's punch-card voting system with a new, all-inclusive, stand-alone ballot tabulation system. The system includes hardware and software to program the election database used to accumulate, tabulate, and report election results; layout and prepares the artwork needed to print ballots; programs all memory cards; and uses optical scan technology to count ballots throughout Alaska. After going through the RFP process, the division purchased a new ballot tabulation system in 1998 for $2,030,403.

HAVA required states to use direct-recording electronic (DRE) voting equipment during federal elections by 2006, so blind and disabled voters could vote unassisted. In 2004, the Alaska Legislature amended AS 15.15.032 requiring a voter-verifiable paper record for each electronic ballot and limiting each polling place to no more than one (1) voting machine that produces electronically generated ballots. In 2003 and 2005, the division purchased touch screen voting machines that utilized the same GEMS software as our existing ballot tabulation system. The division purchased the touch screen voting units (TSX), with printers for voter-verifiable paper record, for $2,224,162, using HAVA funds appropriated to the states by Congress. Since Alaska is a paper ballot state, our touch screen voting equipment supplements, but does not replace, the optical scan system.

While there have been updates to the GEMS database servers and software, the original optical scan units purchased in 1998 are still being used to count paper ballots in Alaska during every statewide election and also during municipal elections in several larger municipalities.

The existing system was purchased with an expectation of a 20-year life cycle. Preventative maintenance has been performed on the equipment to keep it operational and a full functionality test is conducted on each piece of equipment prior to each election. While the system is still operational and accurately counts ballots, there were a number of units that failed in the field and had to be replaced during the 2016 primary and general elections. When units fail, voters are required to place their ballot into the emergency bin on the ballot box until the unit is replaced. The ballots in the emergency bin are then scanned by the election board when the polls close. Although voting is uninterrupted, failed units cause undue stress on the election board and voters lose confidence in the system. We are nearing the intended life expectancy of the system as outlined below:
- The system components are certified only to the 2002 voting system standards.
- The GEMS servers and software utilize the Windows Server 2003 operating system, which is no longer supported by Microsoft.
- The memory cards needed to operate the optical scan units are no longer being manufactured.

- The read heads in the optical scan units are beginning to fail, and if that happens on Election Day, the unit has to be replaced. In remote precincts where replacing units is not possible, workers would be required to hand count ballots.
- The transmission of election results from polling places requires an analogue telephone line, which are becoming obsolete and being replaced with digital lines that do not support reporting needs. (In some precincts like Bethel, we actually pay for an analogue phone line for the Clerk to use during the election cycle for transmission of results).

System Components

- **GEMS Servers –** These stand-alone servers are used to operate the GEMS Software. They are not connected to a network or the internet. There is a host server (and back-up server) in the Director's Office used to manage the entire system and accumulate/report statewide election results. In addition, servers are used in the Region I, Region III and Region IV election offices to enter results that are called in from precincts and transmit those results to the host server. There are eight (8) GEMS servers utilized during statewide elections.

- **GEMS Software –** This is an all-inclusive software package that enables the division to create a single election database for each election. Each election database outlines the districts, precincts, candidates, and ballot measures included in the election and uses that information to generate the artwork used to print ballots; program all memory cards used in the optical scan and touch screen voting units; and accumulate and report election results. This software also enables the division to produce translated sample ballots in Alaska Native languages, Spanish, and Tagalog.

- **Optical Scan Voting Units –** These units scan and tabulate voted paper ballots utilizing a memory card programmed from the GEMS software. The division uses these units in larger precincts where there are too many paper ballots to hand count. Throughout Election Day, each voter inserts his/her voted ballot into the unit. When the polls close, the election board ends the election on the unit, the results are tabulated, and a report is produced. The results are then sent to the host GEMS server in the Director's Office for accumulation with other election results. Optical scan units are also used to count all absentee, early and questioned ballots. The division uses 361 optical scan units during statewide elections. Of the 361 units used, 304 of the units are used in precinct polling places on Election Day. The remaining 137 precinct polling places hand-count the ballots when the polls close. In addition to using the scanners on Election Day, optical scanners are used in the division's regional offices to count all early, absentee and questioned ballots that are voted. During the 2016 General Election, over 121,000 early, absentee and questioned ballots were counted in the regional offices using the optical scanners.

- **Touch Screen Voting Units -** These units are intended for disabled and visually impaired voters to cast a ballot independently, and are available in every precinct polling place. Alaska law limits the number of units to one per polling place. Each unit uses a memory card that enables the ballot to appear on the screen and the voter touches the screen to make a selection. The unit prints a copy of the voter's selections to verify prior to casting the ballot.

For visually impaired voters, there is an audio recording of the ballot and the voter uses a keypad and headset to make a selection. At the end of voting, there is an audio recording of the voter's selections to verify prior to casting the ballot. The division has 510 touch screen voting units with printer attachments and uses custom-made shipping cases in order to ship units to rural precincts. Less than 1% of Alaska voters use the touch screen voting units during statewide elections.

Online Ballot Delivery System

New requirements under UOCAVA required the division to implement a new online ballot delivery, marking, and duplication system for the 2012 general election. Although many states chose to limit online ballot delivery to only military and overseas voters, Alaska opened up the system to all voters in an effort to ensure every qualified voter in Alaska could participate in the electoral process.

The online delivery system allows voters to obtain their ballot online, and also provides a mechanism for the voter to mark the ballot online. Once voted, the voter may return the ballot by mail or through the online delivery system. When the division receives the ballot, the system's replica tool allows the division to duplicate a ballot that can be scanned through the division's optical scan voting equipment. While the ability to automatically produce a scan-able ballot efficiently eliminates the need to manually mark ballots to be scanned, the volume of online ballots has created an extra burden on division resources during the election cycle, and the division anticipates the trend in online delivery of ballots will rise. The data indicates that more voters are returning the requested, voted ballots. In the last election, over 86% of requested ballots were voted and returned.

Election	Number of Applications Received and Ballots Issued	Number of Voted Ballots Returned	Percent Returned
2012 General	7,383	5,239	71.0%
2014 General	4,350	3,467	79.7%
2016 General	9,707	8,411	86.6%

Since its implementation, the division has worked with the vendor to improve the system for overall user simplicity for both the voter and the division. Although improvements have been made to create efficiencies and simplicity, additional security measures should be analyzed and implemented to ensure ballots are secure.

Third-Party Ballot Marking/Submission Smartphone App

A day before the 2016 general election, a KTVA reporter contacted the division regarding a story they were doing regarding an Alaska woman making history by being the first voter to vote in a presidential election using an IPhone app (VoteUSA) to transmit her voted ballot to the Division of Elections. It was reported that the voter used the app, which takes the place of a fax machine, to scan her ballot and send it to the Division of Elections.

The CEO of the company who created the app indicated that they chose an Alaska voter to demonstrate and use the app, because election laws related to digital submission of ballots haven't caught up with technology. Alaska was the only state in which the legal aspects seemed clean and clear for allowing submission of voted ballots in this way. In other states, it's "murky" as to whether a voter could use the app.

Although the app is not yet available on the IPhone app marketplace, it was reported that the company will be continuing its work to make their app available to voters.

The voter who reportedly used the app during the 2016 general election applied for a fax ballot and the division did in fact receive and count her voted faxed ballot. There was no indication that the voter used a third-party app to transmit her ballot.

The division has concerns about the security of voted ballots being transmitted through third-party smartphone apps. It is fully anticipated that similar technology will continue to be developed and used unless tighter restrictions are adopted for electronic transmission voting.

Redistricting

In 2020, the Alaska Redistricting Board (ARD) will reapportion the state's legislative districts. Although the division has no involvement in the reapportionment process, once the ARD adopts the final redistricting plan for Alaska, the division must adjust the precinct boundaries to ensure each precinct is wholly contained within the new district boundaries. After the boundaries of all 441 precincts across the state are adjusted, the division updates the legal descriptions of the precinct boundaries in regulation, and reassigns voter records to the correct precinct based on the voter record residence address in the statewide voter registration database.

Currently, the statewide voter registration database is not integrated into or with any redistricting mapping system. During the 2000 and 2010 redistricting cycles, the division used a separate mapping system (Maptitude) to create and map the boundaries of the precincts after receiving the district boundaries from the ARD. Once the precincts were mapped, division staff then had to manually update over 25,000 address library records to assign those records to the correct voting precinct. Voters were then reassigned to the correct address library record based on the residence address on each voter record. This manual reassignment of the address library records is a laborious task for the division that can take several months to complete for each individual redistricting plan that may be adopted.

The redistricting cycle has a large impact on the division and division resources. It is common that the adopted redistricting plan is challenged in court. Once challenged, there may or may not be an interim plan ordered by the courts prior to a final plan being adopted. For each plan, the division must go through its processes to adjust/map precinct boundaries and update the address files in the voter registration database.

In preparation for the 2020 redistricting cycle, the division may need to purchase a new mapping system and computers for each regional office and the director's office as the existing mapping system and computers were purchased for the 2010 redistricting cycle and will be over 10 years old. When updating the system, the division should look at implementing a system that will allow for integration between the mapping system and voter registration database so the address library files in the voter registration system do not have to be manually updated. Integrating a GIS system with the voter registration system will enable greater efficiencies and cost savings, not only in redistricting, but in the division's daily work of updating voter records.

Administration of Elections

Election Worker Recruitment, Training and Pay

Election Worker Recruitment and Pay

Election worker recruitment is one of the more time consuming tasks the division conducts in an election. Recruitment begins in approximately March of an election year and continues, in some cases, right up to Election Day. Over 2,800 workers were recruited and worked during the 2016 general election.

Depending on the size of the precinct, each polling place has approximately 3-6 election workers. In an effort to maintain consistency within the polling places, the division asks workers to commit to working both the Primary and General elections and to work the entire time the polls are open (13 hours).

The first worker recruited for each precinct is the chairperson. The division then asks the chairperson to help locate the remaining workers for the precinct. The division has found that having the chairperson assist with the recruitment of other election board workers helps create a positive experience for the workers, which in turn allows for a positive voting experience for the voters. It also expands the pool of potential workers. The division has also found that when workers enjoy who they are working with, they are more likely to return to work in future elections, which in turn creates a more experienced election worker pool. When recruiting the election board workers, the division and the chairperson work together to ensure the election board is politically balanced and that there is political party representation on the election board.

In addition to the polling place workers, the division recruits workers to serve as absentee voting officials in each absentee voting location. Rather than working only one day like polling place workers, absentee voting officials work the entire time the absentee voting location is open, which can be up to 15 days prior to an election.

It is becoming increasingly difficult for the division to find individuals who are willing to serve as election workers. Workers have told the division that they do not get paid enough. During the

litigation surrounding the 2016 primary election for House District 40, the Superior Court ruled that actions of precinct workers changed the outcome of the election. Although the division prevailed in an appeal and the Supreme Court reversed the ruling of the Superior Court, the litigation highlighted the fact that human error by precinct election workers can impact the election process and the outcome of an election.

The precinct election board chairperson is paid $10 per hour for their time at the polls and the other election workers are paid $9.50 per hour. In order to maintain a qualified pool of election workers, serious consideration must be given to increasing the pay. Without consistent workers who understand the election process, we risk repeating the issues the division faced during the 2016 primary election.

Election Worker Training

The division's four regional offices are responsible for training precinct election board workers in their respective regions. In-person training is conducted prior to each Primary election for the election board workers across the state. The division's goal is to train workers as close to the election as possible, however, with the large number of rural precincts, some regions have to begin their worker training in early June and continue until early August.

There is a standardized set of instructions and handbooks for all optical scan precincts and there is a standardized set of instructions and handbooks for all hand-count precincts. In addition, there is a standardized set of instructions and materials developed for the touch screen equipment that is provided to all precincts.

In-person training sessions are approximately 4-6 hours in length and are broken into two modules; election procedures and equipment procedures. The election procedures module covers areas such as opening the polls, providing voter assistance, disability awareness, language assistance, processing voters, issuing ballots, questioned voting, special needs voting, closing the polls, completing the ballot statement, and returning election materials. For precincts that hand-count their ballots, this module also includes instructions on how to count ballots and report election results.

The equipment module covers how to set-up the equipment (optical scan and touch screen) and prepare it for voting, as well as security of the equipment, functionality and operation of the equipment, and transmitting results. The equipment procedures module is designed to give workers a hands-on training experience in order to practice setting it up, voting, printing election results, and disassembling the equipment.

The division conducts hub training for workers in rural areas of the state. Election workers from rural precincts travel to a larger, more "central" community to receive training as a group. Because Alaska has a large number of precincts that are not on a road system, utilizing hub training enables the division to train rural workers closer to Election Day and reduces the amount of travel time needed by division staff. Urban-based training is generally conducted closer to Election Day and includes workers from multiple election boards.

Although in-person training is conducted before the Primary election, the division offices in Anchorage, Fairbanks, Juneau, Mat-Su, and Nome go over notes and reminders prior to the General election when precinct chairpersons pick up their materials from the regional offices. Those precincts where materials are mailed instead of picked up are sent the notes and reminders in the election supplies.

The division faces many challenges with election worker training, especially in rural areas of the state where training is usually conducted more than a month before the Primary, and between the time of the training and Election Day, workers may change. In addition, there are numerous processes, procedures, and details that workers are asked to follow that they may forget between the time of training and Election Day. The division's standardized set of instructions and handbooks are critical to the workers' ability to perform their duties correctly. Although the division has provided a comprehensive training program for workers, and uses a standardized set of instructions and training materials across the state, there will inevitably be times when election board workers simply forget to perform an outlined process or procedure.

In preparation for the 2016 primary and general elections, and in an effort to address the challenges of election worker training, both fiscally and physically, the division modified its training approach by using teleconferencing and live video feed from KTOO as a delivery method for training election workers in some areas of the state. This innovative method provided a more interactive learning experience for election workers around the state and saved an estimated $275,000. The division continues to look for ways to provide quality, cost-effective training that enhances knowledge and promotes material retention to all election workers.

Voters Convicted of a Felony

Under AS 15.05.030, a person convicted of a felony involving "moral turpitude" under state or federal law may not vote in state, federal or municipal elections from the date of conviction through the date of unconditional discharge. Upon unconditional discharge, the person may register under AS 15.07.

Under AS 15.07.135 the division director shall make all reasonable efforts to obtain the names of persons convicted of a felony involving moral turpitude and cancel the registration of the person.

AS 15.80.010(10) defines felony involving moral turpitude. Under the definition, not all convicted felons lose their voting rights.

In an effort to ensure persons convicted of a felony involving moral turpitude are not voting, for years, the division acquired a monthly list of names from a Department of Corrections (DOC) database and used that list to inactivate voter records of persons convicted of a crime. Because the DOC database does not limit the names to felons involving moral turpitude, prior to inactivating the voter record, division staff must verify the crime is a felony involving moral turpitude and seeks Department of Law assistance to make that determination if the crime is not listed in AS 15.80.010(10).

The Department of Corrections administers its database solely to track who is staying at a DOC facility and not as an informational system for criminal justice. The DOC system doesn't necessarily track the history of an offender or why the offender is in custody. The DOC database is strictly a tool for DOC to manage human beings in its custody, so it has limited application for the division's needs. Accordingly, the division will continue working to find better ways to get this information through the Court system.

To ensure that felons who are ineligible to vote do not vote, the division needs to ensure that it has reliable data to match between either the Department of Corrections or the Court System and the division's voter registration database on a regular basis, and especially immediately prior to each election.

Language Assistance

Section 203 of the Voting Rights Act (VRA) requires state and local governments to provide language assistance with voting if more than 5% of the voting age population of a language minority group whose language is Spanish, Native American, Alaska Native or one of the covered Asian languages is limited English proficient. The determinations of which jurisdictions and languages are covered are made by the United States Census Bureau following each decennial census and are updated as outlined in federal requirements. They are not reviewable by any court.

Following the 2010 census, the US Census Bureau determined that language assistance was required in Alaska for the following language and areas:

- Aleutians East (Hispanic and Filipino)
- Aleutians West (Filipino)
- Bethel (Yup'ik, Inupiaq)
- Dillingham (Yup'ik)
- Nome (Inupiaq, Yup'ik)
- North Slope (Inupiaq)
- NW Arctic (Inupiaq)
- Wade Hampton (Yup'ik, Inupiaq)
- Yukon-Koyukuk (Athabascan)

In addition to the above determinations, in 2015 the division settled the *Toyukak* case which provided for improved language assistance to Gwich'in and Yup'ik speaking voters. Prior to settling the case, the division provided written translation of some election materials in General Central Yup'ik and only oral language assistance in Gwich'in. Following the settlement, for the 2016 primary and general elections, the division increased the amount of language assistance, including written translations by translating election materials into six additional Yup'ik dialects and preparing written translations in Gwich'in.

Near the end of 2016, the US Census Bureau issued new language assistance determinations that were published in the Federal Register. The new determinations will now require the division to

provide language assistance for additional languages and areas. These new determinations will have a fiscal impact on the division when preparing for an election. Under the new 2016 determinations, the division will need to prepare materials for the following areas/languages:

- Aleutians East Borough: Filipino, Hispanic, Yup'ik
- Aleutians West Census Area: Aleut, Filipino
- Bethel Census Area: Inupiat, Yup'ik
- Bristol Bay Borough: Yup'ik
- Dillingham Census Area: Yup'ik
- Kenai Peninsula Borough: Yup'ik
- Kodiak Island Borough: Yup'ik
- Lake and Peninsula Borough: Yup'ik
- Nome Census Area: Inupiat, Yup'ik
- North Slope Borough: Inupiat.
- Northwest Arctic Borough: Inupiat
- Southeast Fairbanks Census Area: Alaskan Athabascan
- Valdez-Cordova Census Area: Alaskan Athabascan
- Kusalvik (Wade Hampton Census Area): Inupiat, Yup'ik
- Yukon-Koyukuk Census Area: Alaskan Athabascan, Inupiat

The newly identified areas expand the mandate for language assistance significantly, adding additional regions and languages that were not previously covered, and also adding new languages in areas that are already covered for pre-existing languages and dialects. For example, in the Bethel census area, the division was already providing language assistance in General Central Yup'ik. With the new mandate, Inupiaq is now also added to the Bethel census area, thus potentially doubling the need for materials and bilingual workers in precincts in the Bethel census area. Areas that are also new include those areas in region one, in south central Alaska. In regions three and four, the mandate expands to new languages and dialects. The addition of languages not previously covered such as Aleut, potentially Alutiiq, Ahtna, and other Athabascan languages will present costly and logistical challenges for the Language Assistance program. In addition to the fiscal challenges represented by the new mandates, the division must complete tasks set forth in the *Toyukak* settlement and maintain the standards of service into the foreseeable future. The division is already carrying forward service standards from the 2007 *Nick* settlement. With the new determinations, the *Nick* Settlement standards will be updated to reflect current needs. In other words, in order for the division to deliver on its past and new service levels, it must expand its resources and restructure workflows to comply with the settlements and the new section 203 determinations. The fiscal challenges will likely be reflected in the following areas:

Personnel – Translations are done by individual native speakers, elders, linguists, and professional translators. Because Alaska Native languages are complex and there are so few speakers (all Alaska Native languages are in the United Nations list for rare or endangered languages), all translations must be verified, and that verification may take as many as three speakers. For languages and dialects under the *Toyukak* settlement, glossaries, sample ballots, and ballot measures must be done by language panels (10 Yup'ik speakers, and five Gwich'in). In addition to these 15 panel members, the additional translators will likely include four for Iñupiaq/Inupiaq, two for Nunivak

Cup'ig, two for Ahtna, two for Koyukon, two for Siberian Yup'ik, two for Alutiiq, plus additional translators when needed. Non-native languages (Spanish and Tagalog) are outsourced to professional translation services. The division currently pays $50.00 per hour to all panel members; translators are paid by the word at 60 cents per English word and an additional 25 cents for the verification. The translation work will vary year to year and is dependent on the length and complexity of the ballot measures and number of candidates running or up for retention. It is difficult to say what this budget item will cost year to year but it is likely that it will remain in the $250,000 - $350,000 range for even number years.

Technology -   Given the unprecedented number of new languages and dialects in which the state is required to provide translation of election materials, division staff must be able to create transparent processes that are sustainable and ensure a high caliber of materials. To accomplish the tasks required, the division will have to invest in software and hardware for translations. The LA program is currently testing software to help manage future translations. During the 2016 election cycle, the division discovered that many of the panel members do not own computers so there was an added layer of work because some translations were turned in handwritten and they had to be typed and verified more than once since the division staff who are typing the translations are not fluent in the various languages. The division will need to invest in new ways that would allow translators to work and collaborate more efficiently.

Materials – The number of materials that need to be produced has also increased. The materials are on a different schedule than the English materials and face unique timing challenges. This adds to the translation costs as well as the production and distribution costs.

Training and Reporting – The new mandates will also increase the scope of necessary training materials, so it is anticipated that this will also mean increased costs. Reporting must also be standardized to comply with the *Toyukak* settlement and create benchmarks and performance measures.

Absentee Voting

Voting by mail or electronic transmission

Alaska law requires voters to apply for an absentee ballot in the calendar year of the election. Beginning in January of every election cycle, voters may begin to apply for an absentee ballot to be sent to them by mail and, beginning 15 days prior to Election Day, by electronic transmission (voters who fall under UOCAVA may apply for an electronic transmission ballot at any time in the calendar year).

Currently, the receipt of applications is a paper process requiring voters to complete a paper application and send it to the division by mail, fax, or as a digital file attached via email. In 2016, the absentee office processed 45,753 applications and of those applications, 15,190 were received by email and 5,443 were received by fax with the remaining by mail. When received by fax or email, applications must be printed and then processed.

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

- o Primary election administration and separate ballots
- o Distribution of Official Election Pamphlet
- o Establishment of permanent absentee voters
- o By Mail elections
- o 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?

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.