

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version: HB 132
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB132-OOG-DOE-3-24-23
Title: ELECTIONS: BALLOT, VOTING, SECURITY
Sponsor: JUDICIARY
Requester: (H) STATE AFFAIRS

Department: Office of the Governor
Appropriation: Elections
Allocation: Elections
OMB Component Number: 21

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES								
Personal Services	40.3		40.3	40.3	40.3	40.3	40.3	40.3
Travel								
Services	247.0		247.0	247.0	247.0	247.0	247.0	247.0
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	287.3	0.0	287.3	287.3	287.3	287.3	287.3	287.3

Fund Source (Operating Only)

1004 Gen Fund (UGF)	287.3		287.3	287.3	287.3	287.3	287.3
Total	287.3	0.0	287.3	287.3	287.3	287.3	287.3

Positions

Full-time							
Part-time							
Temporary	7.0		7.0	7.0	7.0	7.0	7.0

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 03/01/24

Why this fiscal note differs from previous version/comments:

Not applicable, initial version

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Division: Division of Elections	Date: 03/24/2023 01:48 PM
Approved By: Cheri Lowenstein, Administrative Director	Date: 03/24/23
Agency: Office of the Governor	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. HB 132

Analysis

This legislation proposes numerous revisions to Alaska's election laws that will impact the Division of Elections' services and procedures for all state-administered elections beginning with the 2024 primary and general elections.

Significant changes include: (1) adding or enhancing the free online absentee ballot tracking system to include multi-factor authentication, tracking of date of ballot delivery to voter, and notification of a cure process; (2) requiring routine forensic examination of precinct tabulators; (3) increased staffing to accommodate a toll-free election offense line with 24/7 coverage for an extended time after the election; (4) establishing a redundant, secure, and sealed system for ballot security and chain of custody; and (5) addition of a watermark, seal, or other security identifier to official ballots.

This fiscal note includes estimated operating costs beginning in FY24 in advance of the 2024 primary and general election. Should this bill pass, the Division of Elections estimates the following unrestricted general fund expenses:

Primary and General estimated Operating Expenses Beginning in FY24 (in thousands):

Personal Services:

\$80.5 (Seven Nonpermanent Election Clerks, range 12, to address ballot curing and to support toll free hotline)

Services:

\$140.0 (Ballot Printing)

\$300.0 (Professional services including IT consulting, software maintenance, forensic auditing)

\$ 8.0 (Election board services)

\$ 6.0 (licensing)

\$ 40.0 (BallotTrax or similar software or subscription)

Funding note: Beginning in FY17, the cost of holding primary and general elections every two years was divided in half to reduce volatility in the final authorized budget of the Division of Elections while allowing for sufficient funding to conduct elections. In keeping with that practice, the above listed costs are split in half each fiscal year to smooth the funding requirement of this legislation and would be included as two-year language items in an operating budget appropriations bill.

Passage of this legislation would require the following regulation changes:

Amend 6 AAC 25.045. Voting equipment tests and security. Revise to include forensic examination component.

Amend 6 AAC 25.050. Transportation and receipt of ballots. Revise to align with chain of custody requirements.

Amend 6 AAC 25.580. Rejection of by-mail ballot. Revise for which ballots may be counted.

Amend 6 AAC 25.560. Revise for use of USPS barcode and what happens is a postmark is missing.

Repeal 6 AAC 25.570. Witnessing absentee by-mail ballot.

Adopt regulations to address the process for closing polls and voiding of all unused ballots, to address the cybersecurity program, and to address the cure process.