

**HB**

**352**

<TARGET><BILL>HB 352</BILL><SUBJECT>HB  
352</SUBJECT><COMM>HSTA30</COMM></TARGET>

STATE CAPITOL  
P.O. Box 110001  
Juneau, AK 99811-0001  
907-465-3500  
fax: 907-465-3532



550 West Seventh Avenue, Suite 1700  
Anchorage, AK 99501  
907-269-7450  
fax 907-269-7461  
[www.Gov.Alaska.Gov](http://www.Gov.Alaska.Gov)  
[Governor@Alaska.Gov](mailto:Governor@Alaska.Gov)

Governor Bill Walker  
STATE OF ALASKA

February 15, 2018

The Honorable Bryce Edgmon  
Speaker of the House  
Alaska State Legislature  
Alaska Capitol, Room 208  
Juneau, AK 99801

Dear Speaker Edgmon:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to voter registration and Permanent Fund Dividend applications.

This bill would make clarifying amendments to the voter registration and Permanent Fund Dividend application statutes amended in 2016 by ballot measure 15PFVR, which created a process for Alaskans to register to vote using their Permanent Fund Dividend application. The bill would clarify that the Director of the Division of Elections must treat eligible Permanent Fund Dividend applicants as a new or updated voter registrations, unless an applicant declines to provide the statutory required information for voter registration.

The bill would also specify that the Director will process the registration information received and notify the applicant of his or her registration status. Finally, the bill would make harmonizing amendments to AS 43.23.016 governing record sharing procedures from the Commissioner of the Department of Revenue to the Director of the Division of Elections. If passed, this bill would save an estimated \$200,000 annually in mailing costs and efficiencies such as fully automating the voter registration process and reducing paper transactions.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Bill Walker".

Bill Walker  
Governor

Enclosure

## **HB 352 Sectional Analysis**

Section 1: Establishes the voter registration requirements that an applicant must provide in their PFD application to register to vote.

Section 2: Establishes that the DOE will use the application information provided on the PFD application to register eligible applicants to vote or update their voter registration if they did not decline voter registration when completing their PFD application.

Section 3: Establishes that the DOE will process eligible voter registration applications received from the PFD and send voters notification of their registration status (voter registration card). This section also removes the requirement to send a paper opt-out notice to voters who are targeted as new voter registrations or updated registrations.

Section 4: Removes the requirement for the applicant to respond to the opt-out notice within 30-days.

Section 5: Establishing that PFD will only submit data for applicants that did not decline to register to vote.

Section 6: Establishes that changes made in this law will be effective for PFD applications starting on January 1, 2019.

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: HB 352  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: 0097-OOG-DOE-3-12-18  
Title: VOTER REGISTRATION & PFD APP  
REGISTRATION  
Sponsor: RLS BY REQUEST OF THE GOVERNOR  
Requester: Governor

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)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
			FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>	<b>FY 2019</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2019) cost:** 0.0 *(separate capital appropriation required)*  
*(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? 01/01/19

**Why this fiscal note differs from previous version/comments:**

Initial version

Prepared By: <u>Josephine Bahnke, Director</u>	Phone: <u>(907)465-2644</u>
Division: <u>Division of Elections</u>	Date: <u>03/13/2018 02:16 PM</u>
Approved By: <u>Shawn Henderson, Administrative Director</u>	Date: <u>03/14/2018</u>
Agency: <u>Division of Administrative Services, Office of the Governor</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. HB 352

**Analysis**

This change has no impact on the financial costs associated with the division's conduct of state and federal elections. No additional staff will be required to implement the proposed law.

This bill would change the method that a person may choose to opt-out of voter registration when applying for their Permanent Fund Dividend. If it becomes law, PFD applicants will have the opportunity to decline to register to vote or to update their registration at the time of completing their PFD application. This change would provide a mechanism for the Division of Elections to automate the process, eliminate the opt-out notice to reduce paper transactions and save costs in mailing the opt-out notice to eligible applicants.

As a note, even though Ballot Measure #1 passed, the Division of Elections did not receive an appropriation to implement PFD Automatic Voter Registration. When the initiative was circulated, the cost statement indicated that a recurring cost of \$360,000 would be needed to hire temporary workers to process "opt-out" notices (\$60,000) and annual costs associated with mailing notices to voters who are eligible but not registered, and those who are registered but have a different mailing address (\$300,000).

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: HB 352  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: 20182000971-DOR-PFD-3-12-2018  
Title: VOTER REGISTRATION & PFD APP  
REGISTRATION  
Sponsor: RLS BY REQUEST OF THE GOVERNOR  
Requester: House State Affairs

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Permanent Fund Dividend Division  
OMB Component Number: 981

**Expenditures/Revenues**

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

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates					
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services	29.7							
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>29.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

1061 CIP Rcpts (Other)	29.7							
<b>Total</b>	<b>29.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2019) cost:** 0.0 *(separate capital appropriation required)*  
*(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? 1/1/2019

**Why this fiscal note differs from previous version/comments:**

Grant funds from the Center for Modern and Secure Elections are no longer an option to fund this fiscal note.

Prepared By: <u>Sara Race</u>	Phone: <u>(907)957-2881</u>
Division: <u>Permanent Fund Dividend</u>	Date: <u>03/12/2018</u>
Approved By: <u>Mike Barnhill</u>	Date: <u>03/12/18</u>
Agency: <u>OOC</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. HB 352

**Analysis**

The legislation clarifies the information required on a permanent fund dividend application necessary to automatically register an individual to vote or update their voter information. The legislation further provides Alaskans an opportunity to decline the automatic process at the time of filing. In order to register "eligible" permanent fund dividend applicants, the division would be required to complete eligibility determinations. Once a determination was made, the PFD Division would forward the required data elements, such as name, data of birth, etc., to the Division of Elections. At that point, Elections would complete the initial registration or update the individual's information.

Implementing an "opt-out" option on the permanent fund dividend application will require programming in the online application, paper application imaging software, and the division's database. Some of the associated tasks include adding the actual question to the online application, programming data entry and display screens, testing, and deploying. The changes will take approximately 247 programming hours. Using an average rate of \$120 per hour, the costs associated will be roughly \$29,700.00.

The legislation allows Alaskans an opportunity to make a decision as to whether or not they would like to be registered to vote at the time of filing their PFD application, rather than receiving a mailer subsequently. Presenting the option upfront will reduce costs associated with Election's printing and postage.

The funding source is listed under 1061 because costs associated with implementing a multiple step "opt-out" option will be funded with one of the division's existing capital project appropriations.

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version:	HB 352
Fiscal Note Number:	1
(H) Publish Date:	2/16/2018

Identifier: OOG-DOE-2-12-18  
 Title: VOTER REGISTRATION & PFD APP  
           REGISTRATION  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Office of the Governor

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)

	FY2019	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2019 Request	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>	<b>FY 2019</b>	<b>FY 2019</b>					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2019) cost:** 0.0 *(separate capital appropriation required)*  
*(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? **No**  
 If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version/comments:**

Not applicable, initial version

Prepared By:	Josephine Bahnke, Director	Phone:	(907)465-2644
Division:	Division of Elections	Date:	02/08/2018 10:57 AM
Approved By:	Shawn Henderson, Administrative Director	Date:	02/15/2018
Agency:	Division of Administrative Services, Office of the Governor		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

## Analysis

This change has no impact on the financial costs associated with the division's conduct of state and federal elections. No additional staff will be required to implement the proposed law.

This bill would change the method that a person may choose to opt-out of voter registration when applying for their Permanent Fund Dividend. Applicants will have the opportunity to decline to register to vote or to update their registration at the time of completing their PFD application. This change will provide a mechanism for the Division of Elections to automate the process, eliminate the opt-out notice to reduce paper transactions and save costs in mailing the opt-out notice to eligible applicants.

As a note, even though Ballot Measure #1 passed, the Division of Elections did not receive an appropriation to implement PFD Automatic Voter Registration. When the initiative was circulated, the cost statement indicated that a recurring cost of \$360,000 would be needed to hire temporary workers to process "opt-out" notices (\$60,000) and annual costs associated with mailing notices to voters who are eligible but not registered, and those who are registered but have a different mailing address (\$300,000).

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version:	HB 352
Fiscal Note Number:	2
(H) Publish Date:	2/16/2018

Identifier: 20182000971-DOR-PFD-2-12-2018  
 Title: VOTER REGISTRATION & PFD APP  
 REGISTRATION  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Governor

Department: Department of Revenue  
 Appropriation: Taxation and Treasury  
 Allocation: Permanent Fund Dividend Division  
 OMB Component Number: 981

**Expenditures/Revenues**

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

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates					
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2018) cost:** 29.7 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2019) cost:** 0.0 *(separate capital appropriation required)*  
*(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? Jan 1 2019

**Why this fiscal note differs from previous version/comments:**

Prepared By:	Sara Race	Phone:	(907)957-2881
Division:	Permanent Fund Dividend	Date:	02/12/2018 10:00 AM
Approved By:	Mike Barnhill	Date:	02/12/18
Agency:	OOC		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

## Analysis

The legislation clarifies the information required on a permanent fund dividend application necessary to automatically register an individual to vote or update their voter information. The legislation further provides Alaskans an opportunity to decline the automatic process at the time of filing. In order to register "eligible" permanent fund dividend applicants, the division would be required to complete eligibility determinations. Once a determination was made, the PFD Division would forward the required data elements, such as name, date of birth, etc., to the Division of Elections. At that point, Elections would complete the initial registration or update the individual's information.

Implementing an "opt-out" option on the permanent fund dividend application will require programming in the online application, paper application imaging software, and the division's database. Some of the associated tasks include adding the actual question to the online application, programming data entry and display screens, testing, and deploying. The changes will take approximately 247 programming hours. Using an average rate of \$120 per hour, the costs associated will be roughly \$29,700.00.

The legislation allows Alaskans an opportunity to make a decision as to whether or not they would like to be registered to vote at the time of filing their PFD application, rather than receiving a mailer subsequently. Presenting the option upfront should reduce costs associated with Election's printing and postage.

The Center for Modern and Secure Elections has offered a grant to help implement the automatic voter registration process. Although the grant has not officially been secured the funding cap was offered at \$35,000.00, which would fully cover the programming costs outlined above. Funding will have to be made available in FY18 for an "opt-out" option to be implemented in January 2019. In late July, the division places a "code freeze", which puts a stop to any major changes to the PFD Application. The code freeze does not result in additional costs—it just means that the deadline for coding changes to the Division's application is June 30 for changes that impact the following calendar year. Therefore, placing the expenses in FY19 does not seem appropriate. If grant funds are unsuccessful, the division will cover the associated costs within existing appropriations.

Division of Elections  
PO Box 110017  
Juneau, AK 99811-0017

PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE PAID  
DIV OF ELECTIONS

## RETURN SERVICE REQUESTED

Insert Barcode HERE

### **Attention Recipient**

**Please Read!** If the person whose name is on this card does not receive mail at this address, please write **RETURN TO SENDER** and place back in the mail.

----- Fold Here -----

## State of Alaska, Division of Elections – Notice of Automatic Voter Registration

The information you provided on your Permanent Fund Dividend (PFD) application will be used to update your existing voter registration record unless you select to opt-out of this automatic update process.

### **Opt-out of Voter Registration Record Update**

**NO, I DO NOT** want my PFD application information to be used to update my existing voter registration record.

**Provide ONE identifier below:**  
(Alaska Driver's License #, State ID #,  
Last 4 of SSN or Date of Birth)

\_\_\_\_\_

**Signature:** I swear or affirm that I am the person to whom this card was issued, I have told the truth in this form and I want to opt-out of automatic voter registration record update.

**X**

\_\_\_\_\_  
**[Merge Name]**

If you choose to use your PFD application information to update your voter registration record, you may maintain your residence address as confidential if you have a different mailing address. Contact our staff using the information below to place your registration in this status.

#### **Director's Office**

Phone: (907) 465-4611  
Toll Free: (866) 952-8683  
TTY: (907) 465-3020

Online Voter Registration System:  
<https://voterregistration.alaska.gov>  
Website: [www.elections.alaska.gov](http://www.elections.alaska.gov)  
Email: [elections@alaska.gov](mailto:elections@alaska.gov)

#### **Language Assistance**

1-866-954-8683  
Yup'ik, Siberian Yupik, Inupiaq,  
Koyukon Athabaskan, Gwich'in  
Athabaskan, Tagalog, and Spanish

NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

**BUSINESS REPLY MAIL**

FIRST-CLASS MAIL PERMIT NO. 12 JUNEAU AK

POSTAGE WILL BE PAID BY ADDRESSEE

DIVISION OF ELECTIONS  
PO BOX 120002  
JUNEAU AK 99812-9983

Dear Alaskan,

In 2016, Alaskan voters approved Ballot Measure 1 (15PFVR), which automatically updates the voter registration record of eligible individuals when they apply for a Permanent Fund Dividend (PFD).

You are receiving this notice because you will have your voter registration record updated using the information you provided on your PFD application unless you decline by returning this card. With this automatic update process, your voter registration record will reflect the residence address you submitted on your PFD application.

You have the following options:

- **Take no action.** No response is necessary if you want the information provided on your PFD application to be used for your voter registration record. Not responding to this notice indicates your consent to cancel any registration to vote in another jurisdiction.
- **Use this card to opt-out** and decline to update your existing voter registration record. You must check the box on the reverse side, provide an identifier and return the card to the Division of Elections.
- **Update your political affiliation** by contacting the Division of Elections. The political affiliation on existing voter records will not be changed. Please note that your political affiliation may determine which primary ballot you may vote. You can find out more information about Alaska's political parties and groups and can also change your political affiliation by going to our website, [www.election.alaska.gov](http://www.election.alaska.gov).

To opt-out of this automatic update, please complete, fold, tape and return this card to the Division of Elections by **[date]**.

Division of Elections  
PO Box 110017  
Juneau, AK 99811-0017

PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE PAID  
DIV OF ELECTIONS

## RETURN SERVICE REQUESTED

Insert Barcode HERE

### **Attention Recipient**

**Please Read!** If the person whose name is on this card does not receive mail at this address, please write **RETURN TO SENDER** and place back in the mail.

----- Fold Here -----

## State of Alaska, Division of Elections – Notice of Automatic Voter Registration

The information you provided on your Permanent Fund Dividend (PFD) application will be used to register you to vote unless you select to opt-out of this automatic voter registration process.

In order to be a qualified Alaskan voter you must be a **U.S. citizen** and be **18 years old** or will turn 18 within 90 days. If you do not meet either of these two requirements, please use this form to opt-out of the automatic registration process.

### Opt-out of Voter Registration

**NO, I DO NOT** want my PFD application information to be used to register me to vote

**Provide ONE identifier below:**  
(Alaska Driver's License #, State ID #,  
Last 4 of SSN or Date of Birth)

**Signature:** I swear or affirm that I am the person to whom this card was issued, I have told the truth in this form and I want to opt-out of automatic voter registration.

**X**

**[Merge Name]**

If you choose to use your PFD application information to become a registered voter, you may maintain your residence address as confidential if you have a different mailing address. Contact our staff using the information below to place your registration in this status.

#### **Director's Office**

Phone: (907) 465-4611  
Toll Free: (866) 952-8683  
TTY: (907) 465-3020

Online Voter Registration System:  
<https://voterregistration.alaska.gov>  
Website: [www.elections.alaska.gov](http://www.elections.alaska.gov)  
Email: [elections@alaska.gov](mailto:elections@alaska.gov)

#### **Language Assistance**

1-866-954-8683  
Yup'ik, Siberian Yupik, Inupiaq,  
Koyukon Athabaskan, Gwich'in  
Athabaskan, Tagalog, and Spanish

NO POSTAGE

**BUSINESS REPLY MAIL**

FIRST-CLASS MAIL PERMIT NO. 12 JUNEAU AK

POSTAGE WILL BE PAID BY ADDRESSEE

DIVISION OF ELECTIONS  
PO BOX 120002  
JUNEAU AK 99812-9983

Dear Alaskan,

In 2016, Alaskan voters approved Ballot Measure 1 (15PFVR), which automatically registers or updates the voter registration record of eligible individuals when they apply for a Permanent Fund Dividend (PFD).

You are receiving this notice because you will become a newly registered voter using the information you provided on your PFD application unless you decline by returning this card. With this automatic voter registration process, your voter registration record will reflect the residence address you provided on your PFD application.

You have the following options:

- **Take no action.** No response is necessary if you want the information provided on your PFD application to be used for your voter registration record. Not responding to this notice indicates your consent to cancel any registration to vote in another jurisdiction.
- **Use this card to opt-out** and decline to register to vote. You must check the box on the reverse side, provide an identifier and return the card to the Division of Elections.
- **Select or update your political affiliation** by contacting the Division of Elections. New voters will automatically be registered with the political affiliation undeclared. Please note that your political affiliation may determine which primary ballot you may vote. You can find out more information about Alaska's political parties and groups and can also change your political affiliation by going to our website, [www.election.alaska.gov](http://www.election.alaska.gov).

To opt-out of voter registration, please complete, fold, tape and return this card to the Division of Elections by **[date]**.



# Decide Alaska's Future.

# VOTE ✓

- The Division of Elections (DOE) is administering the voter approved Ballot Measure 1- PFD Automatic Voter Registration (15PFVR). The law includes goals to help register Alaskan voters, enhance accuracy of voter rolls, and save the state money. The DOE is seeking legislative fixes to clarify and streamline the DOE's role in administering the law. The proposed amendments would allow for "opt-out" of voter registration during the PFD application process, while retaining the law's intent.

- Under the current law for PFD Automatic Voter Registration (AVR), the DOE must mail an opt-out notice to: (1) PFD applicants who are not currently registered to vote; and (2) voters whose residence address on their PFD application is different than their voter record address. The law became effective March 1, 2017, and the DOE targeted PFD applications received in March 2017. The notification informs these applicants 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. Of the data received from PFD, about 48% of PFD applicants were sent an opt-out notice.

- The State could save money if the opt-out process was included with the actual PFD application process – just like voter registration at DMV has been since 1994. When Alaskan's apply for a new or updated driver's license, the voter has the option to register to vote or update their voter registration. This has worked well at the DMV since 1994 and is a cost-efficient method for updating voter records for DOE through the DMV registration process. Our PFD voter registration process could be similar to the DMV voter registration process by updating the law to allow opt-out during the application process and eliminating the "opt-out" notice.

The DOE is preparing for full implementation during the PFD application cycle in 2018 and anticipates receiving a large quantity of data from PFD in early April. Upon receipt, the DOE will prepare this data to send the 30 day "opt-out" notice as currently required by law. After the 30-day period, the DOE will begin processing registrations to meet the statutory deadlines related to the Primary Election.

**Since 2015 and prior to voter approval of PFD Automatic Voter Registration, the DOE has made several technological advancements to improve access, efficiency, and accuracy of voter registration rolls:**

- The DOE has fully implemented an online voter registration (OLVR) process making registering to vote or updating an existing voter registration easy and efficient. When the 15PFVR petition was being circulated, OLVR was not yet available. Since being implemented, 45,000+ voters have used the OLVR system to either register or update their existing voter registration.

- The DOE has fully automated the process of receiving voter registration information electronically from DMV when Alaskans update their driver's license. When 15PFVR was being circulated, the DMV registration process was not automated, and registrations were sent to DOE on paper applications. Since implementation, 56,000+ voters have either registered or updated their existing voter registration through DMV electronic process.

- In May 2016, enactment of SB 9 allowed the DOE to join the Electronic Registration Information Center (ERIC). ERIC is a bipartisan, independent non-profit owned, managed and funded by participating states. Founded in 2012 by 7 states, ERIC now has 20 member states including Washington D.C. ERIC's mission is to help state election officials improve the accuracy of their voter rolls, register more eligible citizens, reduce costs, and improve efficiencies in the voting process. Using sophisticated and secure data matching technology processes, ERIC analyzes state voter registration records to determine voters who've moved within a state and not updated their voter registration, voters who've moved from one ERIC member state to another, voters who have died, duplicate voter records and records that need to be updated. In 2017, ERIC identified approximately 95,000 Alaskan records that need to be updated. Following a mailer to these individuals, the result will be more accurate voter rolls and for those who moved, ensuring voter participation. Through Alaska's membership with ERIC, the DOE contacted approximately 90,000 eligible but unregistered voters before the 2016 General Election.

**ASK: Support legislation that would make changes to the PFD Automatic Voter Registration law by allowing Alaskans to "opt-out" of voter registration or changes to their voter information during the PFD application process. This legislation would save an estimated \$200,000 annually in mailing costs and provide for a mechanism by which voter registration transactions performed by DOE are fully automated and reduce paper transactions.**

# **Improving Alaskan Elections: 2018 and Beyond**

## **Looking at the Big Picture**

*Prepared for*

Alaska's Election Policy Work Group

*Prepared by*

The Center for Election Innovation & Research

David Becker, *Executive Director*

### **Introduction**

In 2015, Lt. Governor Mallott convened the Election Policy Work Group (EPWG) to evaluate Alaska's elections. His goal was to maximize effectiveness, cost efficiency, and responsiveness to the needs of Alaskan voters. Later, the Division of Elections (DOE) published its report "2017 Fiscal & Policy Challenges," which outlined various issues facing the DOE and Alaska's elections, and directed the EPWG to advise regarding solutions to those issues.

In its effort to address the issues outlined in the DOE's report, the EPWG held four meetings in 2017: two in person (in May and November) and two via teleconference (in June and July). The DOE engaged The Center for Election Innovation & Research – a non-profit organization working to improve efficiency in elections, led by David Becker – to facilitate these meetings. The meetings brought together election officials, experts, and other stakeholders to help identify guiding principles, key areas to address, and, ultimately, conclusions regarding how Alaska should confront various issues facing the administration of elections. This report serves as both a descriptive and aspirational document detailing the EPWG's conclusions and urging the EPWG to maintain its momentum throughout the 2018 election cycle.

### **Guiding Principles**

At the beginning of its first meeting, the EPWG agreed upon some principles to guide its work and recommendations. These principles include:

- Maximized Accessibility: elections should be accessible to all Alaskans regardless of their circumstances. If it doesn't work for rural Alaska, it doesn't work at all.
- Coordination & Buy-in: the DOE, local governments, tribes, and other stakeholders need to agree on changes to Alaska's elections. No one should be left out of the consensus-oriented decision-making process.

- Voter Satisfaction & Confidence: participating in an election should be a satisfying experience for voters. Their satisfaction with and confidence in the process is key.
- Security & Integrity: Alaska's elections and election systems must be designed with security and integrity in mind. Election officials and voters alike must trust in the systems that are used.
- Voter Outreach: voters need to know how to interact with Alaska's elections. Outreach must be tailored to get them the information they need, effectively and efficiently.
- Cost Effectiveness: costs must be contained in order to abide by state and local budgetary constraints.
- Longevity in the Solution: any new system or solution adopted must endure the test of time.

### **Key Areas to Address**

The EPWG's latest meeting, held in mid-November, represented a significant step forward as the group began to narrow in on the most important issues facing Alaska's elections. Those issues, which contain several important sub-issues, include addressing: (1) modernization of Alaska's elections, (2) Permanent Fund Dividend (PFD) automatic voter registration, and (3) voter trust in elections.

#### Modernization of Alaska's Elections

In recent years, Lt. Governor Mallot has taken steps to modernize Alaska's elections. An important part of that modernization effort has focused on the state's voting systems. The complications arising from Alaska's aging voting systems are at the forefront of the EPWG's concerns. Alaska is a paper ballot state that uses optical scan voting machines, which are supplemented by direct-recording electronic voting machines (DREs) in order to meet federal accessibility requirements under the Help America Vote Act (HAVA). Under state law, all DREs must produce a voter-verifiable paper record. Alaska also has an online ballot delivery service that is open to all voters, and through that service voters may receive ballots via the internet. Voters who receive a ballot via the internet may return those ballots by mail or fax. In addition to Election Day voting at the precinct, Alaska offers voters the chance to vote early, in-person absentee, and absentee by mail or fax.

The technologies that form the backbone of Alaska's voting systems, particularly the voting machines offered by the DOE to the localities, are seriously outdated, creating problems for election administrators and voters alike. Alaska's current optical scan voting machines were purchased in 1998 and given a twenty-year life expectancy. Though most are still operational (some did fail mechanically during the 2016 election cycle), the machines are expensive and difficult to maintain because key components, such as memory cards, are no longer manufactured. Additionally, the method of reporting vote totals relies on outdated infrastructure (such as analog phone lines) that may not exist in certain areas but for the purpose of reporting vote totals.

The issue of aging and outdated technology is one facing many states, and some states have found ways to implement modern, cost-effective, and efficient systems, while simultaneously offering voters more options of where, when, and how to cast a ballot. One such state is Colorado, where the state moved from traditional voting options (like those Alaska uses) to a more modern hybrid system that employs vote centers and mail ballots. Under Colorado’s system, all voters receive a ballot by mail. Vote centers operate much like the traditional early, absentee in-person, and Election Day voting options. Voters may visit a vote center, receive their proper ballot, and cast their vote, in the weeks leading up to and including Election Day. Voters also may turn in their voted mail ballots at vote centers or designated secure drop boxes. Alternatively, they may return their mail ballots by mail. Colorado’s voting systems stood in stark contrast to Alaska’s aging systems and showed the EPWG both how outdated Alaska’s current systems are as well as perhaps how best to approach developing modernized voting systems for Alaska. Such a system can be considered an “alternative ballot delivery” system, where voters receive their ballots by mail, and can choose to return them at a vote center, by mail, or at a drop box, whichever is most convenient for them. And if a voter fails to receive a ballot, or loses it, they can obtain a new one, and cast it, at any vote center before or on Election Day.

In the search for ways to improve upon Alaska’s voting systems, the EPWG sent representatives on a fact-finding trip to Colorado. The report following the trip<sup>1</sup> detailed how Colorado’s new systems (adopted after 2013) work, including some of the benefits Denver County and the state of Colorado have experienced since switching to the new systems, including cost savings, increased voter satisfaction, and decreased labor requirements and training. As a result, the EPWG determined that an alternative ballot delivery system could deliver better results for Alaskan voters at a reduced cost.

#### PFD Automatic Voter Registration

Improving the management and processing of PFD automatic voter registration is another key priority. Approved as a ballot measure in the November 2016 election, PFD automatic voter registration automatically registers eligible individuals to vote when they submit a PFD application, unless the individual “opts-out” of voter registration. The DOE receives PFD application information from the PFD Division (PFDD). If the information can be used to update or create a new voter record, the DOE flags the record and the applicant is then mailed notification of the voter record change, which includes an opt-out notice that the applicant may use to decline the change.

The law creating the new program went into effect on March 1, 2017, and the PFD application period ended on March 31, 2017. Despite the brief window, approximately 158,000 Alaskans applied—roughly 76,000 of whom received a mailer informing them that their voter records were changed. Applicants who listed an undeliverable address were still registered and many were sent a mailer, however, applicants who were ineligible to register were not sent a mailer. Because of the way some applicants provided information on the PFD application (e.g., incorrectly spelling a street name), the new voter records were not always easy to add to the DOE’s database. Around

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<sup>1</sup> Thompson, CA. EPWG Fact-Finding Denver Colorado. September 7, 2017.

27,300 records required manual processing—representing roughly 17% of all PFD application records. During a full PFD application period, the DOE would likely receive nearly 500,000 records. Based on the 17% automatic processing failure rate for this year’s limited sample, approximately 85,000 records would require manual processing following a full PFD application period. Such extensive manual processing would be labor intensive and quite costly.

Though the significant failure rate for the automatic processing of PFD application data will require a coordinated effort between the DOE and the PFDD to implement technical fixes, there are still other cost savings that can be obtained. This year, PFD automatic voter registration will be fully implemented. Next year, the DOE aims to make the process fully automated and paperless, similar to how DMV voter registration works. Streamlining PFD automatic voter registration in this way is projected to save around \$200,000.

The DOE is also pursuing legislative fixes to further clarify and streamline the DOE’s role in administering PFD automatic voter registration. One key legislative change the DOE is pursuing relates to the opt-out procedure for PFD automatic voter registration. Currently, the DOE must mail opt-out notices after receiving applicant data from the PFDD. However, the opt-out process could be made much more cost-efficient by instead allowing PFD applicants to opt out when they fill out their application. Such an opt-out process would not be unprecedented—voter registration at DMV has included an opt-out option since 1994. When an applicant applies for a driver’s license, they are given the option to update their voter registration with the same information used for their driver’s license. The PFD voter registration process could be similar to the DMV voter registration process by updating the law to allow opt-out during the application process and eliminating the current opt-out notice, which actually requires waiting 30 days before records can be updated or new voters can be registered. It is worth noting, however, that such a legislative fix likely would not occur in 2018.

### Voter Trust in Elections

In the wake of the 2016 elections, the issue of maintaining and promoting faith in elections and election outcomes has become increasingly important. There is no evidence to suggest tampering with the actual vote totals in any state (including Alaska), but the threat of foreign interference has raised doubts in the minds of many voters. With that in mind, the EPWG recognized the importance of promoting voter trust in the integrity of Alaska’s elections while also recognizing that elections are only meaningful if they are also accessible. Therefore, the DOE should continue its work to secure its systems, and promote that work to Alaskan citizens, while also ensuring that any new system is fully secure and resistant to tampering.

## Conclusions

### 1. Alaska's Aging Voting Systems Must Be Replaced Soon

- i. Alaska's voting systems are out-of-date and unnecessarily complicating elections.
- ii. The state's nearly 20-year-old voting machines must be replaced.
- iii. The process of procuring new voting machines and developing new voting systems takes time.
- iv. Localities need reliable information about what their options are, and they need that information as soon as possible.
- v. The fact-finding trip to Colorado provided a viable option for Alaska's new voting system, an alternative ballot delivery system that could be tailored to Alaska's unique voting challenges.
- vi. Alaska's voting systems should be updated in time for the 2020 elections.

### 2. A Unified Voter Experience for Alaskans is Desirable

- i. Our goal should be an experience that provides all Alaskan voters with the same, approachable options for voting no matter where they cast their ballots.
- ii. Regardless of the technology used by DOE, there should be consistency in how voters perceive the process.
- iii. Accessibility, compliance, and security are key considerations to keep in mind when developing the voter experience.
- iv. Alaskans must be fully informed about how the process works, to inspire satisfaction and confidence.

### 3. If It Doesn't Work for Rural Alaska, It Doesn't Work At All

- i. Any changes to Alaska's voting systems will only be effective if all Alaskan stakeholders are on board, with full accessibility for all Alaskans.
- ii. An entirely vote-by-mail system (like Oregon or Washington employs) may be unacceptable due to the challenges rural communities would experience both receiving and returning ballots. A robust in-person voting option (alongside vote-by-mail) is likely necessary to provide rural communities with adequate access.
- iii. Language assistance must continue to be provided in order to comply with Section 203 of the Voting Rights Act and to ensure that voting is accessible for all Alaskans.
- iv. Further research must be conducted to gauge the viability of an alternative ballot delivery system for Alaska, including rural areas.

### 4. PFD Automatic Registration Must Be Optimized

- i. The current PFD automatic voter registration process is hampered with inefficiencies that result in a high rate of records that the DOE must manually update.
- ii. The DOE should continue to seek a legislative change to the PFD application in order to allow applicants to opt out of automatic registration on the PFD application.

- iii. PFD automatic voter registration should be automated and paperless (like DMV voter registration) by 2020.

5. Actions to Be Taken in 2018

- i. Partner with UAA's Institute of Social and Economic Research to conduct a voting survey to help determine the viability of potential replacement voting systems.
- ii. Provide a demonstration of election equipment that could be used to support a hybrid vote-by-mail/in-person voting system.
- iii. Continue to support efforts to improve PFD automatic voter registration by seeking legislative change aimed at making the process more streamlined and cost-efficient.
- iv. After the EPWG issues its formal recommendations, perform a full cost analysis of the recommended voting system. The DOE will perform this cost analysis.
- v. Identify the necessary legislative changes to Alaska Statutes Title 15 in order to implement the EPWG's recommended voting system. Proposed legislation will then be drafted and sponsorship will be solicited, as needed.
- vi. Above all, maintain momentum throughout the 2018 election cycle. If momentum slows, this report should serve as a reminder of the EPWG's key conclusions in order to refocus the effort to improve Alaska's elections. A change in an election system takes a lot of discussion up front and a lot of time to execute. This is about making government work, and voting is a fundamental right. Cost effectiveness and other related concerns are critical, but well-run elections are of paramount importance.

Division of Elections  
2017 Fiscal & Policy Challenges

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# Table of Contents

OVERVIEW .....	3
BACKGROUND OF ELECTION ADMINISTRATION.....	4
TECHNOLOGY .....	6
Ballot Tabulation System .....	6
Online Ballot Delivery System.....	8
Third-Party Ballot Marking/Submission Smartphone App .....	8
Redistricting.....	9
ADMINISTRATION OF ELECTIONS .....	10
Election Worker Recruitment, Training and Pay .....	10
Election Worker Recruitment and Pay .....	10
Election Worker Training.....	11
Voters Convicted of a Felony.....	12
Language Assistance .....	13
Absentee Voting .....	15
Voting by mail or electronic transmission.....	15
In-Person Absentee Voting Locations .....	16
Ongoing Implementation of 15PFVR (Ballot Measure 1) .....	16
POTENTIAL COST SAVINGS MEASURES.....	18
Alaska’s Primary Election.....	18
Distribution of the Official Election Pamphlet.....	18
Establishing Permanent Absentee Voting .....	19
By Mail Voting.....	19
15PFVR “Opt-Out” Process .....	20

# 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?

## 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.

# 15PFVR Statement of Costs

## Estimate of Costs to the State of Alaska for the Voter Initiative Allowing Qualified Individuals to Register to Vote when Submitting a Permanent Fund Dividend Application

### Cost Summary

Agency	Cost
Office of the Lieutenant Governor	\$9,000
Office of the Lieutenant Governor – Division of Elections	\$931,300
Department of Revenue – Permanent Dividend Fund Division	\$2,585
<b>TOTAL</b>	<b>\$942,885</b>

### Estimate of costs to the Office of the Lieutenant Governor and the Division of Elections

As required by AS 15.45.090(a)(3), the Alaska Office of the Lieutenant Governor has prepared the following statement of costs to implement the proposed ballot initiative. If approved, the initiative would take effect 90 days following election certification.

#### Office of the Lieutenant Governor

Assuming the initiative is placed on the ballot, the minimum cost to conduct public hearings concerning the initiative in two communities in each of four judicial districts is estimated to be \$9,000.

#### Lt. Governor's Office – Estimate by Category

Travel	\$ 9,000
<b>Total</b>	<b>\$ 9,000</b>

Estimated travel expenses include round-trip air transportation, per diem and other associated travel costs for the Lieutenant Governor and staff to travel to seven communities in Alaska: It is assumed one of the hearings would be in Anchorage which would not involve travel costs.

#### Division of Elections

As required by AS 15.45.090(a)(3) and (4), the Division of Elections has prepared the following statement of costs to implement the proposed ballot initiative.

The estimated cost to the Division of Elections associated with certification of the initiative application and review of the initiative petition, excluding legal costs to the state and the costs to the state of any challenge to the validity of the petition, is estimated to be \$931,300. Recurring annual costs are estimated at approximately \$300,000.

#### Division of Elections – Estimate by Category

Personal Services:	\$130,000
Contractual Services:	\$801,300
<b>TOTAL</b>	<b>\$931,300</b>

#### Personal Services

Ten temporary employees to process the voter notification cards and respond to

questions. The recurring need to hire temporary workers will be on a year by year

## 15PFVR Statement of Costs

Costs for mailing notices to voters who are eligible but not registered, and those who are registered but have a different mailing address. This includes costs related to printing, postage and return mail service: \$300,000

Printing of voter booklets: \$1,300

### Department of Revenue

#### Permanent Dividend Fund Division

As required by AS 15.45.090(a)(4), the Permanent Fund Dividend Division (PFDD) has prepared the following statement of cost to implement the proposed permanent fund dividend application and the registration of voters ballot initiative. The minimum cost to PFDD to implement this change is estimated to be \$2,585.00.

The ballot initiative would amend AS 15.07.050(a) and register individuals to vote by completing a permanent fund dividend application under AS 43.23.015. The dividend application currently captures all but one of the required data elements outlined in AS 15.07.060(a)(1)-(4) and (7)-(9). The exception being, AS 15.07.060(a)(4), the applicant's Alaska residence address. The dividend application requires both a mailing and physical address, but neither is required to be within the state of Alaska. Minimal application programming will be required to modify the application to include a physical address if it must be within Alaska.

In addition, a statement of notification will be incorporated into the permanent fund dividend application. The notification language will explicitly explain that by completing a permanent fund dividend application the applicant will simultaneously be registered to vote.

Although, the projected costs associated with this ballot initiative are relatively insignificant to PFDD, the impact on the volume of public contact is an unknown variable. An increase in non-permanent fund dividend inquires will directly affect the time PFDD technicians have to meet the program's primary mission.

#### Permanent Dividend Fund Division – Estimate by Category

15 programming hours to modify PFD applications	\$679
15 programming hours to include additional Alaskan address data entry component	\$679
5 programming hours to create Elections file transfer report	\$227
<u>Increase in application printing costs to include additional Alaska address field</u>	<u>\$1000</u>
<b>Total</b>	<b>\$2,585</b>



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February 28, 2018

Honorable House Speaker Edgmon  
State Capitol  
Juneau, AK 99801-1182

Re: Support for HB 352, An Act relating to voter registration

Dear Speaker Edgmon,

The Alaska Association of Municipal Clerks serves to provide resources for municipal clerks to provide the highest quality of service and support to citizens and elected officials, with a focus on ensuring fair and efficient electoral processes with a direct link between residents and their government.

Approved in 2016 and effective March 1, 2017, ballot measure 15PFVR created a process for Alaskans to register to vote using their Permanent Fund Dividend application. Under the current law for PFD Automatic Voter Registration (AVR), the DOE must mail an opt-out notice to: (1) PFD applicants who are not currently registered to vote; and (2) voters whose residence address on their PFD application is different than their voter record address. The State could save money if the opt-out process was included with the PFD application process – just like voter registration at DMV has been since 1994.

HB 352 would make clarifying amendments to the voter registration and Permanent Fund Dividend application statutes. The bill would allow for “opt-out” of voter registration during the PFD application process, while retaining the law’s intent. The bill specifies that the Division of Elections will process the registration information received and notify the applicant of his or her registration status. The bill also streamlines the sharing of records and information between the Department of Revenue and the Division of Elections. This legislation would save an estimated \$200,000 annually in mailing costs and provide for a mechanism by which voter registration transactions performed by DOE are fully automated and reduce paper transactions.

The AAMC Board of Directors urges passage of HB 352.

Sincerely, and on behalf of the AAMC Board of Directors,

Shellie Saner, MMC  
AAMC President

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HB 352

1 Page 2, line 2:

2 Delete "an eligible"

3 Insert "a"

4

5 Page 2, line 3, following "applicant":

6 Insert "under AS 43.23.016"

7

8 Page 2, line 9:

9 Delete "Upon"

10 Insert "The director shall establish procedures to allow a permanent fund dividend  
11 applicant under AS 43.23.015 to decline voter registration under AS 43.23.016 when  
12 applying for a permanent fund dividend under AS 43.23.015. The procedures may include  
13 a form prescribed by the director. For a permanent fund dividend applicant that does not  
14 decline voter registration through the permanent fund dividend application, upon [UPON]"

15

16 Page 2, lines 12 - 13:

17 Delete "[NOT ALREADY REGISTERED TO VOTE]"

18 Insert "not already registered to vote"

19

20 Page 3, line 5, following "(9)":

21 Insert "under the procedures developed by the director of the division of elections  
22 under AS 15.07.070(k)"