

Department of Planning and Budget 2020 Fiscal Impact Statement

1. **Bill Number:** HB506-E

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Hope

3. **Committee:** Counties, Cities and Towns

4. **Title:** County manager plan; election of board members by instant runoff voting.

5. **Summary:** Provides that, in a county operating under the county manager plan of government meeting certain criteria, elections to nominate candidates for and to elect candidates to the board of supervisors may be conducted by instant runoff voting, which the bill describes as the method of casting and tabulating votes in which (i) voters rank candidates in order of preference, (ii) tabulation proceeds in sequential rounds in which last-place candidates are defeated, and (iii) the candidate or candidates with the most votes in the final round are elected.

The engrossed version of the bill includes an enactment clause providing that any costs incurred by the Department of Elections related to changes in technology that are necessary for the implementation of the bill's provisions, shall be charged to the locality exercising the option to proceed with instant runoff voting.

6. **Budget Amendment Necessary:** See Item 8.

7. **Fiscal Impact Estimates:** See Item 8.

8. **Fiscal Implications:** This bill would allow a county operating under the county manager plan of government meeting certain criteria to conduct instant runoff voting for elections to nominate or elect candidates to the board of supervisors.

Although the scope of the number of counties and elected offices for which this option is authorized may be limited, the Department of Elections (ELECT) would need to make modifications to the state elections system in order to facilitate such a voting process, as results are reported through the system. Preliminarily, the Department of Elections has identified numerous system modifications needed to facilitate instant runoff voting and believes the full extent of necessary changes may not be understood until after an extensive review and analysis of all potential impacts on the Virginia Election and Registration Information System (VERIS) and other election-related systems (such as election night results reporting, secure electronic ballot delivery system for military and overseas voters, etc.). ELECT anticipates five contractors (business analyst, programmers, and a project manager) will be needed at an average cost of \$130 per hour for 2,000 hours each (\$1,300,000) for the systems changes currently identified. This estimate does not include costs for any additional changes that may be required pending further analysis.

The known system changes include the following:

- Add a new type of voting to qualifying offices (all elections will not use this type of voting)
- Modify all corresponding reports in VERIS to accommodate the new vote type
- Modify pre-election data extracts to include ballot details on instant runoff offices
- Modify the election night reporting system to disseminate instant runoff vote data
- Develop new reports to identify instant runoff candidates' results
- Modify ballot standards to account for instant runoff offices
- Modify ballot proofing processes and data extracts to account for instant runoff offices
- Update the voting machine certification guidelines
- Have each current certified voting machine vendor have its solution recertified after developing any necessary fixes

The second enactment clause of the bill provides that any costs incurred by ELECT related to changes in technology necessary to implement the bill's provisions shall be charged to the locality exercising the option to proceed with instant runoff voting. Assuming the commitment of a locality to exercise this option, a budget amendment would be needed to appropriate nongeneral fund resources associated with the expected technology-related costs that would be charged to localities.

Development of voter education materials regarding "instant runoff voting" would also be expected to be needed.

Voting equipment approved for use in the Commonwealth would also have to be recertified that could process instant runoff candidates and provide the required information to carry out the legislation.

Localities may also incur costs to purchase voting equipment if its current equipment was not certified.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Elections, State Board of Elections, general registrars, and localities.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/6/2020