Department of Planning and Budget
2020 Fiscal Impact Statement

1. **Bill Number:** SB892

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

2. **Patron:** Ebbin

3. **Committee:** Privileges and Elections

4. **Title:** Ranked choice voting; elections for local governing bodies; local option pilot program.

5. **Summary:** Provides that elections for local governing bodies may be conducted by ranked choice voting, which the bill defines as the method of casting and tabulating votes in which (i) voters rank candidates in order of preference, (ii) tabulation proceeds in rounds in each of which either a candidate or candidates are elected or the last-place candidate is defeated, (iii) votes for voters' next-ranked candidates are transferred from elected or defeated candidates, and (iv) tabulation ends when the number of candidates elected equals the number of offices to be filled. The bill allows any local governing body to decide to conduct such election by ranked choice voting and requires any such decision to be made in consultation with the local electoral board and general registrar and by a majority vote of the governing body. The bill authorizes the State Board of Elections to promulgate regulations for the proper and efficient administration of elections determined by ranked choice voting. The bill provides that any costs incurred by the Department of Elections related to technological changes necessary for the implementation of ranked choice voting pursuant to the bill shall be charged to the localities exercising the option to proceed with ranked choice voting. The bill has a delayed effective date of July 1, 2021, and sunsets on July 1, 2031.

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

7. **Fiscal Impact Estimates:** Preliminary; see Item 8.

8. **Fiscal Implications:** This bill would allow a county board of supervisors or city council to choose to conduct elections of its members by ranked choice voting. The ranked choice method of voting would allow voters to rank candidates for the given office in order of preference.

   Although the scope of elected offices for which this option is authorized may be limited and the number of counties or cities that would opt to adopt such a voting method is unknown, 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 (ELECT) has identified numerous system modifications needed to facilitate ranked choice 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 ranked choice offices
  • Modify the election night reporting system to disseminate ranked choice vote data
  • Develop new reports to identify ranked choice candidates results
  • Modify ballot standards to account for ranked choice offices
  • Modify ballot proofing processes and data extracts to account for ranked choice offices
  • Update the voting machine certification guidelines
  • Have each current certified voting machine vendor have their 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 localities exercising the option to proceed with ranked choice voting. Assuming the commitment of one or more localities 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.

Voter education outreach regarding "ranked choice voting" would also be expected to be needed and the bill provides that the State Board of Elections may administer or prescribe standards for a voter outreach and public information program for use by any locality conducting ranked choice voting.

Voting equipment approved for use in the Commonwealth would also have to be recertified that could process voter nominated primary and ranked choice 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:** This bill is a companion to HB1103.

Date: 1/28/2020