

Multiple Agency Fiscal Note Summary

Bill Number: 1475 HB	Title: Online ballot portal
-----------------------------	------------------------------------

Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Secretary of State	.0	0	0	993,000	.0	0	0	1,196,000	.0	0	0	1,196,000
Consolidated Technology Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	993,000	0.0	0	0	1,196,000	0.0	0	0	1,196,000

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Consolidated Technology Services	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final
--------------------------------------	---------------------------------	---------------------------------

Individual State Agency Fiscal Note

Bill Number: 1475 HB	Title: Online ballot portal	Agency: 085-Office of the Secretary of State
-----------------------------	------------------------------------	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
All Other Funds-State 000-1	395,000	598,000	993,000	1,196,000	1,196,000
Total \$	395,000	598,000	993,000	1,196,000	1,196,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Desiree Omli	Phone: 360-786-7105	Date: 01/22/2023
Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 01/30/2023
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 01/30/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/30/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1 requires the Secretary of State, in consultation with county auditors and the state Chief Information Security Officer, to establish a statewide online ballot portal that allows voters to access their ballot electronically, and to submit a voted ballot using the online portal.

Section 2 allows voters to return a voted ballot and signed declaration by fax or email by 8:00 p.m. on the day of the election or primary.

Section 4 changes the requirements of election reconciliation reports to include the number of ballots cast using the online ballot portal.

The effective date of the bill is January 1, 2025.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

To implement this bill, the Office of the Secretary of State (OSOS) would need to modify the VoteWA system. Based on information provided by vendors with experience in online ballots, OSOS projects one-time costs of \$395,000 for the development needed for VoteWA in SFY24, and ongoing annual maintenance and support costs of \$298,000 beginning in SFY25.

Current law (RCW 29A.04.611) allows the Secretary of State to make rules for the examination and testing of voting systems. Although this bill does not require the testing of the online ballot portal, the OSOS would want to ensure the portal is secure prior to every election, 4 times per year.

Testing costs would be \$300,000 per year (\$75,000 per test). Tests would be conducted to determine if someone could get through the portal and gain access to the larger voting system; to confirm items sent through the portal cannot have data manipulation (validation no one would have access to change data once it's in the portal).

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
000-1	All Other Funds	State	395,000	598,000	993,000	1,196,000	1,196,000
Total \$			395,000	598,000	993,000	1,196,000	1,196,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	395,000	598,000	993,000	1,196,000	1,196,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	395,000	598,000	993,000	1,196,000	1,196,000

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Revised

Bill Number: 1475 HB	Title: Online ballot portal	Agency: 163-Consolidated Technology Services
-----------------------------	------------------------------------	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Desiree Omli	Phone: 360-786-7105	Date: 01/22/2023
Agency Preparation: Christina Winans	Phone: 360-407-8908	Date: 01/27/2023
Agency Approval: Tim Gallivan	Phone: (360) 407-8215	Date: 01/27/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/27/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

HB 1475 would allow voters to access their ballots through an online ballot portal and would allow certain voters to submit their votes through the portal.

Section 1 adds a new section to RCW 29A.40 that directs:

(1) The secretary of state, in consultation with county auditors and the state chief information security officer, to establish a statewide online ballot portal that allows voters to access their ballot electronically and select voters to submit their voted ballot using the portal. Counties must use the secretary of state's ballot portal unless granted a waiver by the secretary of state.

(2) Lists the minimum requirements for the ballot portal, including the following elements:

(a) Comply with all state and federal requirements and current best practices for accessibility for individuals with disabilities;

(b) Provide the voter with their correct and accurate ballot;

(c) Allow the county auditor to verify whether any ballot returned through the portal was returned on time under subsection (5) of this section;

(d) Ensure the privacy and security of all ballots returned to the county auditor through the portal to confirm that ballots have not been viewed or altered during the transmission of the ballot;

(e) Allow the county canvassing board, or its designated 8 representatives, to verify that each ballot returned through the portal was returned by a registered voter who is eligible to vote in the election or primary and has not returned another ballot in the same election or primary, while maintaining the secrecy of the selections made on the ballot;

(f) Not be connected to any part of a voting system as defined in RCW 29A.12.005 and produce a paper copy of each ballot returned through the portal to be used for tabulation on a voting system which is separate from the online ballot portal;

(g) Instruct the voter on how to return the voter's ballot; and

(h) Include on the screen where a voter described in subsection (4) of this section may submit a voted ballot the following: "I attest under penalty of perjury that I meet the qualifications to return my ballot using this online ballot portal."

(3) Allows any voter to access the voter's ballot through the online ballot portal that allows the voter to mark the ballot electronically and to print the ballot out for return to the county auditor.

(4) Lists the voters who may return their voted ballot to the county auditor using the online ballot portal. That includes overseas voters, service voters, disabled voters as defined in RCW 29A.04.037, and any eligible voter who is currently serving a sentence of total or partial confinement as defined in RCW 9.94A.030 in Washington state who is not serving a sentence of total confinement for a felony conviction.

(5) Lists the requirement that the ballot must be received by the county auditor no later than 8:00 PM on the day of the election or primary.

The remainder of the bill modifies sections related to voting to clarify when an online ballot portal is permissible and adds online ballot portal references as part of the required report for election reconciliation for county auditors.

Section 6 notes that the act takes effect January 1, 2025.

This bill has no fiscal impact on Consolidated Technology Services (WaTech).

System Design Review (SDR) Team within WaTech will ensure that Secretary of State portal changes comply with state

requirements and any additional requirements required to secure information related to citizen ballots. It is estimated that 40 hours of EMS2 time will be required; this work can be absorbed by the current SDR team.

Also, Office of Privacy and Data Protection (OPDP) within WaTech anticipates that a Privacy Impact Assessment will need to be completed as a part of the SDR process for this new project. It is estimated that 12 hours of EMS3 time will be required; this work can be absorbed by the current OPDP staff.

It is assumed, WaTech can absorb the costs for this proposed bill in its base budget if the workload of other enacted legislation does not exceed current staffing levels.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1475 HB

Title: Online ballot portal

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Cities participating in elections would experience proportionate increases in election costs relative to county auditors' increased election expenses.
- Counties: County auditors would incur indeterminate increased election expenditures due to screening online voted ballots. County revenue would increase in direct proportion to the auditor's increased election costs.
- Special Districts: Special districts participating in elections would experience proportionate increases in election costs relative to county auditors' increased election expenses.
- Specific jurisdictions only:
- Variance occurs due to: The number of online voted ballots that will be received in each election.

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs: County auditors could incur one-time costs to develop procedures to screen online voted ballots.
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: The amount of time auditors will require to screen online voted ballots; the total number of registered voters who will be eligible to use the online ballot portal.

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Kate Fernald	Phone: 564-200-3519	Date: 01/25/2023
Leg. Committee Contact: Desiree Omli	Phone: 360-786-7105	Date: 01/22/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/25/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/25/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

Sec. 1 establishes the Secretary of State would consult with auditors to establish a statewide online ballot portal, which includes requirements for auditors specifically.

Sec. 1 (4) clarifies that the online ballot portal will only be available to three specific voters: overseas and service voters; disabled voters as defined under RCW 29A.04.037; and eligible voters currently serving a sentence. Additionally, service and overseas voters could return a voted ballot and signed declaration by fax or email.

Sec. 2 (4) defines that online ballot voters must be provided with instructions for: accessing their ballot; marking their ballot; and returning a voted ballot using an approved online ballot portal.

Sec. 3 (6) states that the county auditor shall establish procedures to maintain the secrecy of the ballot for online ballots they receive.

Sec. 4 (1) adds to the requirements that must be included in the county auditors' election reconciliation report. The phrase "online ballot portal" is added to any reconciliation report information required for overseas and service ballots (m-r).

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

County auditors would likely experience an indeterminate increase in staffing expenditures due to screening online voted ballots for eligibility in each election. Additionally, cities, counties and special districts participating in each election would have their proportionate election costs impacted in the same indeterminate manner. The total number of eligible online voted ballots, the number of online voted ballots that will need to be screened in each election, and the screening procedures are not known, so the cost impacts are indeterminate.

ONLINE BALLOTS PROCESSES and PROCEDURES

Washington State Association of County Auditors (WSACA) reports that auditors were able to receive online voted ballots in the past. Therefore, most counties would already have processes and procedures for online voted ballots that could be adopted again. They do not anticipate a cost impact to establishing online ballot portal processes and procedures.

ELIGIBLE VOTERS

The total number of registered voters that would be eligible to use the online ballot portal is not known. Per the legislation, overseas and serving voters, voters who are disabled under RCW 29A.04.037, and eligible voters currently serving a sentence would qualify to use the online ballot portal. However, the Secretary of State does not have the requisite data to estimate the total number of voters that would be eligible to use the online ballot portal. Here is the data SOS does have:

- Overseas and serving voters: 99,581 active military or overseas voters
- Disabled under RCW 29A.04.037: unknown. Voters do not currently indicate any form of disability when registering to vote.
- Eligible people serving a sentence: unknown. SOS's data from the Department of Corrections is specifically related to individuals not eligible to vote due to an in-state felony.

Therefore, the number of registered voters that would be eligible to use the online ballot portal is not known.

SCREENING

The cost impact Washington State Association of County Auditors (WSACA) anticipates is for developing and performing procedures to screen the limited eligibility of online voted ballots. Increased costs for developing the screening procedures, and the time it will take to perform the screening procedures during each election is not known and could not be estimated.

Therefore the fiscal impact of developing and performing screening procedures is indeterminate.

Because cities, counties and special purpose districts participating in elections pay their proportionate share of election costs, any increased costs counties experience as a result of screening online voted ballots would proportionately impact cities, counties and special districts in the same indeterminate manner.

Note that the legislation does not define how county auditors will screen or audit online voted ballots, therefore the cost associated with this work is indeterminate.

For illustrative purposes, SHB 2614 (2018) laid out a process for auditing electronically returned ballots, however a fiscal note on that bill was not prepared. If the county received at least 40 electronically returned ballots, the county auditor would have been required to randomly select 25% of that group and request those voters to return their original ballot. The auditor would then have been required to analyze any of such ballots that were returned to ensure that the original matched the voted electronic ballot. If the auditor discovered any manipulation, alteration, or interception of the electronic ballot, then the auditor would be required to request that every electronic ballot voter return their original ballot and analyze each original ballot against the electronic version. SHB 2614 (2018) did not have a fiscal note completed, so county auditors' costs to implement the auditing requirements are unknown.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

The legislation would result in indeterminate increases in county revenue directly proportionate to county auditors' increased costs to screen online voted ballots.

The legislation would increase county auditors' work to screen online voted ballots. Election costs are apportioned to all jurisdictions participating in the election. Therefore, county revenue received from participating jurisdictions for their proportionate share of election costs would be increased in direct proportion to the auditor's increased election costs. However, the exact revenue increase cannot be determined in advance. As a result counties will experience an indeterminate increase in revenue.

SOURCES:

Office of the Secretary of State

Washington Association of County Officials

Washington State Association of County Auditors