

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

**1. Bill Number:** HB658

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

**2. Patron:** Cole

**3. Committee:** Committee Referral Pending

**4. Title:** Elections; conduct of election; ranked choice voting; locally elected offices; report.

**5. Summary:** Allows elections for any local or constitutional office to be conducted by ranked choice voting. Under current law, only elections of members of a county board of supervisors or a city council are allowed to be conducted by ranked choice voting. The bill also clarifies requirements for conducting elections using ranked choice voting and requires results for elections conducted by ranked choice voting to be reported along with other results reported on election night, except that such results must clearly be identified as preliminary and based on the first rankings in a ranked choice voting election. The bill provides that final tabulation for an election for a local or constitutional office that is not shared by more than one county or city is required to be conducted on the same day as other results are canvassed by the local electoral board and that final tabulation for an election for a local or constitutional office that is shared by more than one county or city is required to be conducted at a centralized facility under the supervision of the Department of Elections. The bill specifies that ranking data is required to be made publicly available by the Department and requires the State Board of Elections to provide standards and to approve vote tabulating software for use with existing voting systems in elections conducted by ranked choice voting. The bill also limits a risk-limiting audit of an election conducted using ranked choice voting to the first-choice rankings reported on voting systems. Finally, the bill directs the Department to review the testing and approval framework for voting equipment in the Commonwealth and submit a report of such review no later than the first day of the 2025 Regular Session of the General Assembly.

**6. Budget Amendment Necessary:** See below.

**7. Fiscal Impact Estimates:** Preliminary; see below.

**8. Fiscal Implications:** The fiscal impact of this bill is indeterminate. The proposed legislation would require ELECT participate in a local election that has shared offices for constitutional office (currently 40) and choose to use Ranked Choice Voting (RCV) for these offices. Of those local elections allowed to use ranked choice voting, only one locality has chosen to utilize this method.

For shared offices, this bill requires the Department of Elections (ELECT) to select a "suitable facility" to secure election materials and oversee the RCV tabulation by the electoral boards after the electoral boards have conducted their canvasses. ELECT must contract with a private courier to have the election materials transported to the tabulation facility and create forms to account for chain of custody. ELECT's current staffing available for this is limited, and without a base line to determine participation of localities, a cost cannot be determined.

There is currently a lack of RCV tabulation software that can process cast vote records from multiple vendors, which may cause issues if localities with shared offices are utilizing different voting system vendors that are incompatible with one another. Plans to have this functionality in a future version of the RCV software are being reviewed, though no estimate for cost is currently available.

The reporting requirements of this bills may also incur an additional cost to the state and localities, though the amount is undetermined at this time.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Elections, State Board of Elections, and localities (General Registrars and Electoral Boards).

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

January 22, 2024