

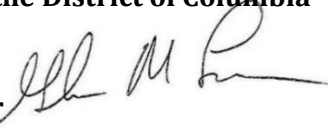
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer 

DATE: August 11, 2023

SUBJECT: Fiscal Impact Statement – Ranked Choice Voting and Semi-Closed Primaries Act of 2024

REFERENCE: Draft Initiative as provided to the Office of Revenue Analysis on August 2, 2023

Conclusion

Funds are not sufficient in the fiscal year 2023 budget and the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the proposed initiative. The Board of Elections (Board) will require additional funding beginning in fiscal year 2025 to implement both ranked choice voting and semi-closed primaries by the June 2026 primary election. The Board of Elections requires approximately \$1.2 million in fiscal year 2025 and \$1.5 million over the four-year financial plan period.

The initiative's implementation is subject to the inclusion of the required financial resources in an approved budget and financial plan.

Background

The initiative would approve a ranked choice voting system for the District of Columbia. Under ranked choice voting (also known as an instant runoff), registered voters select multiple candidates and rank them in the voter's order of preference. If no candidate receives fifty percent of the votes after the first vote counting, then the candidate with the lowest number of votes is eliminated and the voters who ranked that candidate first have their votes reallocated to their second choice. The vote counting process continues, eliminating the lowest vote recipients until a candidate crosses the fifty percent threshold.

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FIS: "Ranked Choice Voting and Semi-Closed Primaries Act of 2024," Draft Initiative as provided to the Office of Revenue Analysis on August 2, 2023

The initiative requires the District to begin using ranked choice voting starting with the June 2026 primary election and thereafter for each election involving the president and vice president of the United States, Mayor, Attorney General, Chairperson of the Council, members of the Council, members of the State Board of Education, U.S. Senator, U.S. Representative, Delegate to the U.S. House of Representatives, Advisory Neighborhood Commissioner, and any other elected office. Ranked choice voting should be used when there are more than three candidates for a particular office. Voters may rank up to five candidates. The initiative establishes the requirements for the Board to include on each ballot so that each voter understands how to make their selections. The initiative also establishes the vote counting processes for races in which more than one candidate can be elected, such as an at-large Council election, or if delegates are proportionally allocated, such as for a presidential primary.

The initiative also allows prospective voters who are not registered with a particular party to request the ballot of a party to vote in the party's primary election (semi-closed primary). Currently, voters unaffiliated with a political party cannot vote in a primary election. The initiative requires the Board to proactively notify unaffiliated voters of their eligibility to request a ballot for a primary election of their choosing, including the ability to vote absentee. However, the initiative prohibits these voters from voting for a party's national committeeperson, delegates to a party convention or conference, any alternates for these roles, and any other members or officials of the local political party.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2023 budget and the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the proposed initiative. The Board requires approximately \$1.2 million in fiscal year 2025 and \$1.5 million over the four-year financial plan period.

To implement ranked choice voting, the Board of Elections will need to perform outreach and educate all registered voters, design and acquire new ballots, hire additional staff to support election day activities, and bring on additional staff or resources to support the tabulation of ranked choice votes. The Board's outreach efforts will include a mailing to all registered voters to ensure they understand how ranked choice voting works and its changes to the District's election experience. This mailing requires one-time resources of \$342,000 in fiscal year 2025. The Board also plans to provide voters with on-line and in-person training on using ranked choice ballots, and the projected cost of these trainings are \$50,000 in fiscal year 2025 and \$10,000 annually thereafter. The Board also requires \$58,000 for each election for election day staff support, appropriate ballot paper, and vote tabulation support. The Board can absorb the cost of designing the new ballots and the necessary tabulation software within the Board's existing budgeted resources.

The Board's implementation of semi-closed primaries will require a separate outreach and education effort, changes to voter registration systems and cards, and new ballots and election day needs. The Board's outreach on semi-closed primaries will also require a mailing to all registered voters at a cost of \$342,000 in fiscal year 2025. The Board's unique education efforts for semi-closed primaries will cost \$50,000 in fiscal year 2025 and \$10,000 annually thereafter. The Board requires one-time resources of \$367,000 in fiscal year 2025 to make necessary updates to the District's voter registration systems and update voter instructions on registration cards. The Board will need to design new ballots for voters who are not registered with a political party and ensure that the ballots are mailed to the 87,000 unaffiliated registered voters and available in-person on primary election day. These activities will cost \$151,000 in fiscal year 2026. The Board will also create a portal for

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unaffiliated registered voters to select which primary ballot they would like to receive. The Board can absorb the cost of developing the portal within the Board's existing budgeted resources. The total cost of implementing the initiative's semi-closed primary provisions is \$759,000 in fiscal year 2025 and \$930,000 over the four-year financial plan period.

Ranked Choice Voting and Semi-Closed Primaries Act of 2024 Implementation Costs Fiscal Year 2024 - Fiscal Year 2027 (\$ thousands)					
	FY 2024	FY 2025	FY 2026	FY 2027	Total
Ranked Choice Voting					
Outreach and Education^a	\$0	\$392	\$10	\$10	\$412
Election Administration Costs	\$0	\$0	\$58	\$58	\$116
Ranked Choice Voting Subtotal	\$0	\$392	\$68	\$10	\$528
Semi-Closed Primary					
Outreach and Education^a	\$0	\$392	\$10	\$10	\$412
Voter Registration Systems	\$0	\$367	\$0	\$0	\$367
Ballots^b	\$0	\$0	\$151	\$0	\$151
Semi-Closed Primary Subtotal	\$0	\$759	\$161	\$10	\$930
TOTAL INITIATIVE COSTS	\$0	\$1,151	\$229	\$78	\$1,458

Table Notes

^a Outreach and education includes one-time costs in fiscal year 2025 of \$342,000 for outreach and \$50,000 for education, and \$10,000 annually thereafter for ongoing education.

^b The ballots cost includes mailing every voter a primary ballot for \$131,000 and \$20,000 to ensure voters can choose their preferred ballot during in-person voting.