

Office of Regulatory Management
Economic Review Form

| | |
|--|--|
| Agency name | Department of Elections |
| Virginia Administrative Code (VAC) Chapter citation(s) | 1VAC20-100-10; 1VAC20-100-40; 1VAC20-100-50; 1VAC20-100-70 |
| VAC Chapter title(s) | Ranked Choice Voting: Definitions; Ballot Treatment; Ranked Choice Voting Tabulation; Election Results |
| Action title | Amendments to RCV |
| Date this document prepared | 6/2/2023 |
| Regulatory Stage (including Issuance of Guidance Documents) | Final - Exempt |

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

| | | |
|---|--|---------------------------------------|
| <p>(1) Direct & Indirect Costs & Benefits (Monetized)</p> | <p><i>The direct & indirect costs & benefits listed below only apply to the current amendments to 1VAC20-100. The initial regulation regarding ranked choice voting (RCV) became effective on 12/03/2021. Therefore, the economic review only addresses the economic impact of the changes to RCV currently being made and not to RCV as a whole as this is not a brand-new regulatory chapter.</i></p> <p>Direct Costs: The are no monetizable direct costs associated with the amendments as these changes are clarifying and procedural</p> <p>Indirect Costs: There are no monetizable indirect costs associated with the amendments as these changes are clarifying and procedural</p> <p>Direct Benefits:</p> <ul style="list-style-type: none"> • While most of the procedural changes do not have any direct or indirect monetizable benefits, these amendments add the ability for localities to conduct a “first-choice tabulation round”. This round provides a candidate with the opportunity to win based upon first-choice rankings if the votes meet certain thresholds. If the votes meet the threshold, the candidate is declared the winner. As a result, this saves time for local election officials by not requiring them to proceed with multiple tabulation rounds despite a candidate receiving a significant number of votes. As no ranked choice voting contest has been held in Virginia before, we cannot quantify the specific amount of time it will save local election officials at this time. However, we can provide the following overview: <ul style="list-style-type: none"> ○ The average cost of an officer of election is \$150 per day ○ The average general registrar makes \$31hr ○ On average election officials work 18 hours on Election Day, starting from 5am – 11pm without RCV ○ States that allow for first-choice tabulation rounds have reduced tabulation processing time from weeks to days ○ By allowing first-choice tabulation rounds, localities can save on average \$398 a day for as many days as it takes to tabulate RCV results <p>Indirect Benefits: There are no monetizable indirect benefits associated with the amendments as these changes are clarifying and procedural</p> | |
| <p>(2) Present Monetized Values</p> | <p>Direct & Indirect Costs</p> | <p>Direct & Indirect Benefits</p> |
| | <p>(a) 0.00</p> | <p>(b) 0.00</p> |

| | |
|--|---|
| (3) Net Monetized Benefit | +\$398 savings per day for every day not required to tabulate results if a candidate meets the threshold in the first round. |
| (4) Other Costs & Benefits (Non-Monetized) | <p>Costs:</p> <ul style="list-style-type: none"> Any tools or software used for ranked choice voting (RCV) tabulations must be approved for use by the Department of Elections (ELECT). Therefore, ELECT Information Security staff may have to spend additional time reviewing and approving tools/software not already approved if requested for use. <p>Benefits:</p> <ul style="list-style-type: none"> The amendments also require specific ranked choice voting election records to be posted online and available for public inspection which increases transparency to the public as they review election results and also increases confidence in elections. |
| (5) Information Sources | Department of Elections Staff; Acts of Assembly Chapter 552 Item #87; US Census Bureau; Minneapolis RCV Processes; Maine RCV Tabulation Process. |

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

| | |
|--|---|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p><i>The information below pertains to any costs and benefits if there was no change to the regulation.</i></p> <p>Direct Costs: Local election officials would spend more time going through multiple tabulation rounds as results from the first round would not be sufficient to declare a winner</p> <ul style="list-style-type: none"> Since an RCV contest has not been conducted in Virginia before, we cannot quantify directly how much time it would take local election officials to conduct multiple tabulation rounds and timing could be impacted by the number of seats on an active ballot It could cost localities an average of \$398 a day to tabulate RCV results if the first round candidate does not have the opportunity to be declared the winner and the locality has to tabulate multiple rounds <p>Indirect Costs: There are no monetizable indirect costs associated with the amendments as these changes are clarifying and procedural</p> <p>Direct Benefits: There are no monetizable direct benefits associated with the amendments as these changes are clarifying and procedural</p> <p>Indirect Benefits: There are no monetizable indirect benefits associated with the amendments as these changes are clarifying and procedural</p> |
|--|---|

| | | |
|--|--|----------------------------|
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a)0.00 | (b) 0.00 |
| (3) Net Monetized Benefit | -\$398 a day on average for every day needed to tabulate results | |
| (4) Other Costs & Benefits (Non-Monetized) | Costs: <ul style="list-style-type: none"> • Tools and software used for RCV may not be set to uniform standards across the Commonwealth should localities find different vendors • The public will not have as much transparency as it pertains to election results from an RCV contest. | |
| (5) Information Sources | Department of Elections Staff | |

Table 1c: Costs and Benefits under Alternative Approach(es)

| | | |
|--|-------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | N/A | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) | (b) |
| (3) Net Monetized Benefit | | |
| (4) Other Costs & Benefits (Non-Monetized) | | |
| (5) Information Sources | | |

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

| | | |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <i>See Table 1a. The direct & indirect costs & benefits for local partners consists of the same information contained in Table 1a as localities primarily administer ranked choice voting elections.</i> | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) 0.0 | (b) 0.0 |
| (3) Other Costs & Benefits (Non-Monetized) | <ul style="list-style-type: none"> Localities can spend less time conducting RCV tabulation rounds if the maximum threshold for the number of votes a candidate must receive in the first round is met | |
| (4) Assistance | <ul style="list-style-type: none"> Localities may require ELECT to approve of any tools or software they would like to use for an RCV contest if it is not one of the already approved vendors | |
| (5) Information Sources | Department of Elections Staff; Acts of Assembly Chapter 552 Item #87; US Census Bureau; Minneapolis RCV Processes; Maine RCV Tabulation Process. | |

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

| | | |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>Direct Costs: There are no monetizable direct costs associated with the amendments</p> <p>Indirect Costs: There are no monetizable indirect costs associated with the amendments</p> <p>Direct Benefits: There are no monetizable direct benefits associated with the amendments</p> <p>Indirect Benefits: There are no monetizable indirect benefits associated with the amendments</p> | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |

| | | |
|--|---|----------|
| | (a) 0.00 | (b) 0.00 |
| (3) Other Costs & Benefits (Non-Monetized) | <ul style="list-style-type: none"> Members of the public will have increased transparency as it pertains to RCV election results | |
| (4) Information Sources | Department of Elections Staff | |

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

| | | |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>Direct Costs: There are no monetizable direct costs associated with the amendments</p> <p>Indirect Costs: There are no monetizable indirect costs associated with the amendments</p> <p>Direct Benefits: There are no monetizable direct benefits associated with the amendments</p> <p>Indirect Benefits: There are no monetizable indirect benefits associated with the amendments</p> | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) 0.00 | (b) 0.00 |
| (3) Other Costs & Benefits (Non-Monetized) | There are not costs or benefits for small businesses associated with the amendments. | |
| (4) Alternatives | There are no alternatives. | |
| (5) Information Sources | Department of Elections Staff | |

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

| VAC Section(s) Involved | Initial Count | Additions | Subtractions | Net Change |
|-------------------------|---------------|-----------|--------------|------------|
| 1VAC20-100-10 | 1 | 0 | 0 | 0 |
| 1VAC20-100-40 | 9 | 1 | 0 | +1 |
| 1VAC20-100-50 | 7 | 5 | 0 | +5 |
| 1VAC20-100-70 | 1 | 2 | 0 | +2 |

Cost Reductions or Increases (if applicable)

| VAC Section(s) Involved | Description of Regulatory Requirement | Initial Cost | New Cost | Overall Cost Savings/Increases |
|-------------------------|---|--------------|--|---|
| 1VAC20-100-50 | Creates a first-choice ranking tabulation round | N/A | +\$398 per day on average to specifically tabulate results | +\$398 per day on average to specifically tabulate results |
| | | | | <i>ELECT cannot assess a percentage of overall savings at this time as an RCV contest has not been held in Virginia yet.</i> |

Other Decreases or Increases in Regulatory Stringency (if applicable)

| VAC Section(s) Involved | Description of Regulatory Change | Overview of How It Reduces or Increases Regulatory Burden |
|-------------------------|----------------------------------|---|
| | | |
| | | |

Length of Guidance Documents (only applicable if guidance document is being revised)

| Title of Guidance Document | Original Length | New Length | Net Change in Length |
|----------------------------|-----------------|------------|----------------------|
| | | | |
| | | | |

