



MEMORANDUM

TO: State of Oregon Financial Estimate Committee
FR: Oregon Center for Voting & Elections
RE: **2024-403 HB 2004 (Ranked Choice Voting)**
DT: July 18, 2024

EXECUTIVE SUMMARY: The financial estimate from DAS, based on information from state and local governments, reflects a higher cost for implementation of Ranked Choice Voting when compared to other jurisdictions. More information about the underlying assumptions that went into the analysis is needed. In particular, it is critical to understand whether cost-saving measures have been considered and integrated into the analysis.

Our interest in the most accurate analysis possible: Oregon Center for Voting & Elections is a non-partisan, non-profit organization which champions electoral reforms, including ranked choice voting, that produce a more reflective democracy and better elections. We support getting state and local elections officials the tools they need to efficiently implement ranked choice voting without having to reinvent the wheel.

The limited scope of the Referral: Referral 403 (HB 2004) applies only to federal and certain statewide offices: Governor, Secretary of State, Treasurer, Attorney General, and Commissioner of the Bureau of Labor & Industry. By the Referral's terms, Ranked Choice Voting (RCV) will *not* be used to elect the members of the Oregon House and Senate. Nor will local or appellate judges be elected with RCV. Local jurisdictions will have the *option* to use RCV (as they do now) but the Referral does not mandate local usage. Therefore, the Referral's overall effects will be much more limited than if all state and local races were affected.

Cost comparisons: DAS has estimated the cost of implementing RCV to be roughly \$10 million in start-up costs and \$2 million per year afterwards. It should be noted that one study of RCV implementation in seven local governments found that "election cycle cost data of cities that have implemented RCV shows that any change to the cost of elections either during or after the switch to RCV is not statistically significant."¹ The National Conference of State Legislatures also studied RCV implementation and "found the average cost of switching to RCV was \$154,759 among responding jurisdictions. When the highest (\$1,000,000) and lowest (\$0) amounts were

¹ Rhode, Christopher. Northern Arizona University; The Ranked Choice Voting Resource Center; FairVote. "The Cost of Ranked Choice Voting." accessed June 2024 from <https://esra.wisc.edu/wp-content/uploads/sites/1556/2020/11/rhode.pdf>.



excluded, the average dropped to \$39,673. The median cost was \$17,000. Costs-per-voter averaged 94 cents; the median cost was 43 cents.”²

It is certainly worth considering why Oregon’s estimates are substantially higher, especially considering that Portland and Multnomah County, the state’s most populous city and county, along with Corvallis and Benton County, will have already implemented RCV by the time Referral 403 goes into effect.

Oregon’s voting systems: Oregon’s 36 counties use voting systems from three different companies, or vendors. Those vendors are ES&S, Hart, and Clear Ballot. Clear Ballot is used by 15 counties, including Multnomah County which is preparing to use RCV for the first time in this November’s general election. 18 counties, including Benton County which has been using RCV since 2020, use ES&S machines. Typically, one of the costs associated with RCV implementation has been the cost of updating the software of the voting systems’ tabulators. However, Clear Ballot has obviously already produced the necessary software to accommodate Multnomah County’s tabulators in order for the County to administer the upcoming Portland RCV election. Given that the software has already been developed, will that software be available to the other 14 counties using Clear Ballot tabulators? If so, will that result in cost savings and has that savings been reflected in the local government/DAS estimate? Likewise, Benton County has been running RCV elections on ES&S equipment since 2020. Since the RCV program has already been developed, will the other 17 counties using ES&S tabulators be eligible for a price-break and is that reflected in the DAS analysis?

Other questions are worth asking. Wherever RCV might require new hardware or software, will the State Elections Division and county clerks be able to coordinate purchases and leverage their buying power accordingly? Voting systems and machines have a limited lifespan. Are some of the systems in Oregon’s 36 counties already at the end of their lifespan? If so, and new systems are needed regardless of RCV, are those costs being attributed exclusively to RCV implementation when the expenditures would need to happen anyway?

Addressing specific costs & potential savings: The DAS cost estimate includes a \$1,188,914 cost per statewide election for printing one additional ballot page to accommodate RCV. Given the limited scope of the Referral and the number of elected offices affected, will an additional page always be necessary? For example, presidential elections take place every four years; U.S. Senators are elected on a six-year cycle. Statewide offices—Governor, Secretary of State, Treasurer, Attorney General—are elected for four-years terms and those elections are staggered so that only two happen in each general election. With so few offices on the ballot being

² <https://www.ncsl.org/elections-and-campaigns/ranked-choice-voting-in-practice-implementation-considerations-for-policymakers>, accessed July 2024



elected with RCV, will that in fact result in an additional ballot page? And, if an additional page *is* needed, why is the projected cost so high? As of this month, according to the Secretary of State, there are 3,000,282 registered Oregon voters. If we divide the estimated cost for the additional page, \$1,188,914, by that number of voters, it yields a cost of approximately \$0.40 for each additional ballot page per voter. On its face, that cost appears excessive. If it is indeed accurate, those figures should be specified and then examined to see whether they can be reduced. There are typically several different printing and mailing vendors used by Oregon counties. Do counties aggregate purchases to lower prices? If not, can this be done?

Similarly, the DAS estimate includes a per election cost of \$653,192 for “additional postage, Board workers, and other miscellaneous expenses.” If an additional ballot page is not needed, how does it affect this estimate? If an additional ballot page is needed, why would there be an additional cost for postage? A single stamp should cover the cost of 4-5 pages, and it is unlikely that implementation of RCV will create additional pages than those – as it hasn’t anywhere else it has been adopted. Additionally, with roughly 3 million voters in Oregon, the current estimated cost comes to about \$3 per voter, which is significantly higher than in other jurisdictions that have implemented RCV.

Additional cost-saving considerations: By the time RCV is used in 2028 on a statewide basis, per Referral 403, multiple local Oregon jurisdictions will have administered RCV elections numerous times. These jurisdictions will have already created and implemented a variety of outreach programs and educational tools. Approximately one-half of Oregon’s registered voters live in media markets where they will have already been exposed to some form of RCV education and publicity. Will the state Elections Division and counties be able to adapt material already developed in Oregon for use throughout the state? At what savings, if so?

There are quite a number of civic groups and nonprofit organizations that provide education and training about the use of RCV; some of which provide direct support to elections officials. These organizations include the Ranked Choice Voting Resource Center, the Center for Civic Design, We Are Democracy Rising, More Equitable Democracy, and FairVote, among other entities. Have state and local elections officials considered whether these or other organizations can provide resources or services for little or no cost to defray the expense of statewide implementation?

CONCLUSION: **By leveraging the experience of local jurisdictions which will have extensive experience with RCV elections by 2028, and using the resources and expertise of national nonprofits, the State can significantly reduce the costs of implementing RCV. In addition, both the State and counties should coordinate the purchases of any needed equipment, software, and printing services to generate the greatest savings possible.**