

**D38I01**  
**State Board of Elections**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 13</u> <u>Actual</u>	<u>FY 14</u> <u>Working</u>	<u>FY 15</u> <u>Allowance</u>	<u>FY 14-15</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$7,586	\$8,648	\$6,586	-\$2,061	-23.8%
Contingent & Back of Bill Reductions	0	-103	-38	65	
<b>Adjusted General Fund</b>	<b>\$7,586</b>	<b>\$8,544</b>	<b>\$6,548</b>	<b>-\$1,997</b>	<b>-23.4%</b>
Special Fund	5,744	10,374	7,742	-2,633	-25.4%
Contingent & Back of Bill Reductions	0	0	-4	-4	
<b>Adjusted Special Fund</b>	<b>\$5,744</b>	<b>\$10,374</b>	<b>\$7,738</b>	<b>-\$2,636</b>	<b>-25.4%</b>
Federal Fund	744	1,207	100	-1,107	-91.7%
<b>Adjusted Federal Fund</b>	<b>\$744</b>	<b>\$1,207</b>	<b>\$100</b>	<b>-\$1,107</b>	<b>-91.7%</b>
<b>Adjusted Grand Total</b>	<b>\$14,074</b>	<b>\$20,125</b>	<b>\$14,386</b>	<b>-\$5,740</b>	<b>-28.5%</b>

- The fiscal 2015 allowance includes a proposed deficiency appropriation for the State Board of Elections (SBE) totaling \$1.3 million (\$768,082 in general funds and \$549,066 in special funds) to cover a shortfall for certain expenditures that were originally expected to be funded from the Fair Campaign Financing Fund, which is no longer available for this purpose.
- A second deficiency appropriation withdraws \$39,376 as a cost containment action in the area of contractual services for a call center contract.
- The fiscal 2015 allowance of SBE decreases by \$5.7 million, or 28.5%, compared to the fiscal 2014 working appropriation after accounting for withdrawn appropriations in fiscal 2014 and across-the-board and contingent reductions in fiscal 2015. Decreases occur among all three fund sources (\$2.0 million in general funds, \$2.6 million in special funds, and \$1.1 million in federal funds).
- Major changes in the fiscal 2015 allowance occur in the areas of personnel; capital lease payments due to the completion of payments for the existing touchscreen voting system and

Note: Numbers may not sum to total due to rounding.

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some ePollbooks; contractual services including costs associated with the implementation of the new voting system; and federal grants for accessibility projects and the Federal Voting Assistance Program, expected to be fully expended in fiscal 2014.

***Personnel Data***

	<b><u>FY 13 Actual</u></b>	<b><u>FY 14 Working</u></b>	<b><u>FY 15 Allowance</u></b>	<b><u>FY 14-15 Change</u></b>
Regular Positions	37.50	40.00	41.60	1.60
Contractual FTEs	<u>2.10</u>	<u>2.10</u>	<u>0.00</u>	<u>-2.10</u>
<b>Total Personnel</b>	<b>39.60</b>	<b>42.10</b>	<b>41.60</b>	<b>-0.50</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	1.20	3.01%
Positions and Percentage Vacant as of 12/31/13	2.00	5.00%

- The fiscal 2015 allowance of SBE creates 1.6 new regular positions. One of these new positions (an auditor) is necessary to implement Chapter 419 of 2013 (the Campaign Finance Reform Act of 2013). SBE also added 2.5 positions (1.0 Office Secretary, 1.0 Internal Auditor Program Supervisor, and 0.5 Office Services Clerk) through the Board of Public Works (BPW) in November 2013 to assist in the implementation of Chapter 419.
- The new 0.6 regular position is an administrative support position, which is being converted from a contractual full-time equivalent (FTE).
- SBE also converted 1.5 contractual FTE to regular positions within the positions created by BPW. As a result of the conversions in the fiscal 2015 allowance and by BPW actions, SBE’s fiscal 2015 allowance does not include contractual FTEs.
- The turnover expectancy increases from 2.7 to 3.0% for existing positions.
- As of December 31, 2013, SBE had a vacancy rate of 5.0%, or 2.0 positions. To meet its turnover expectancy, SBE needs to maintain 1.2 vacant positions in fiscal 2015.

## ***Analysis in Brief***

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### **Major Trends**

***No New Data:*** SBE submits its Managing for Results (MFR) data on an election cycle basis. No statewide elections have been held since the 2013 session; as a result, no new data is included in SBE's MFR submission for fiscal 2015. Although most measures are best measured on an election cycle basis, some data could be measured on an ongoing fiscal year basis because some administrative activities occur on an ongoing basis.

***Measures without Data:*** SBE's fiscal 2015 MFR submission includes three measures related to voter confidence in the voting system and the disclosure of campaign finance information that have not had data available for several election cycles. Given the lack of availability of this data, SBE should consider revising its measures.

***Preparations for the 2014 Elections:*** SBE has undertaken several activities in preparation for the 2014 gubernatorial elections. The activities include accepting candidate filings, approving new and changed early voting centers, updating software, reviewing and updating a variety of documents, and conducting procurements necessary for the election.

### **Issues**

***Status of Procurement of an Optical Scan Voting System:*** Chapters 547 and 548 of 2007 changed the requirements for a voting system to be certified in Maryland to a system with a voter verifiable paper record. After funding to support this change was initially included in the fiscal 2009 and 2010 budgets, funding was later withdrawn and cancelled, and no procurement was finalized, as subsequent budgets included no funds for the project. Funds were provided for planning for the procurement of the new system in a fiscal 2013 deficiency appropriation and the fiscal 2014 budget. The fiscal 2015 allowance includes a total of \$4.1 million for continued planning for the optical scan system, the majority of which will be used for personnel to support the procurement and implementation of the system. No funding for capital lease payments for the new voting machines is included in the fiscal 2015 allowance because these payments are not expected to begin until fiscal 2016.

***Implementation of Improving Access to Voting Changes:*** Chapters 157 and 158 of 2013 (Improving Access to Voting) made several changes to early voting, absentee voting, and voter registration processes, including expanding the number of early voting sites, altering the number of days for early voting, allowing same-day voter registration during early voting periods beginning in 2016, and changing online voter registration requirements. SBE has taken action to implement these changes – such as approving additional early voting sites and updating software to implement the changes for online voter registration.

**Presidential Commission on Election Administration:** During calendar 2013, President Barack H. Obama issued an executive order establishing a Presidential Commission on Election Administration to identify best practices and make recommendations to promote the efficient administration of elections, to ensure voters can cast ballots without undue delay, and to improve the voting experience for those facing barriers to voting. The commission held public hearings in 2013 and submitted a report in January 2014. The commission’s report contained a number of recommendations, including that election officials should use a resource allocation calculator to determine the deployment of equipment and staff to reduce the likelihood of wait times, and that the standards and certification process for voting technology should be reformed.

## **Recommended Actions**

	<u><b>Funds</b></u>
1. Reduce funding for personnel support for the new voting system.	\$ 203,521
<b>Total Reductions</b>	<b>\$ 203,521</b>

## **Updates**

**Voter Registration Data Exchange:** Chapters 288 and 289 of 2011 allow SBE to enter into agreements with other states to exchange data relevant to maintaining an accurate voter registration list. Maryland has joined the Electronic Registration Information Center (ERIC) as a result of this legislation. Maryland is one of seven states and the District of Columbia participating in ERIC. The key feature of ERIC is a data center which provides information to both update voter registration data and to identify potentially eligible but unregistered individuals. SBE has mailed information to individuals who are potentially eligible but unregistered as identified by ERIC. SBE and the local boards of elections have also worked through lists of potential updates to the voter registration list provided by ERIC.

**Improving Access to Voting Required Studies:** Chapters 157 and 158 of 2013 required four studies: (1) an analysis of extending early voting to the Sunday before the election; (2) an analysis of voting wait times; (3) an accessibility and usability evaluation of the online ballot marking tool; and (4) the security of online voter services. One of these studies was submitted in December 2013, and the remainder in January 2014. The option to extend early voting to the Sunday before the election was reportedly not viewed favorably by local election directors. The study found that in Maryland, as is true nationally, voting wait times are longer for early voters and voters in larger jurisdictions and are impacted by ballot length. SBE has made adjustments to its online absentee ballot marking tool as a result of the accessibility and usability evaluation; however, some additional work is required. No security issues were found with the online voter services.

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***Operating Budget Analysis***

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**Program Description**

The State Board of Elections (SBE) is a five-member board charged with managing and supervising elections in the State; ensuring compliance with State and federal elections laws, including the federal Help America Vote Act (HAVA); assisting citizens in exercising their voting rights; and providing access to candidacy for all those seeking elected office.

Individuals from both major parties are appointed by the Governor to SBE, with the advice of the Senate, for staggered, four-year terms. The board appoints a State Administrator, with the advice and consent of the Senate, who is charged with oversight of the board's functions and supervising operations of the local boards of elections (LBE).

LBEs process voter registration records for the statewide voter registration database, establish election precincts, staff polling places, provide and process absentee and provisional ballots, and certify local election results.

The mission of SBE is to administer the process of holding democratic elections in a manner that inspires public confidence and trust. The four goals of SBE are to:

- compile voter registration data into a uniform voter registration system that meets the requirements of the HAVA and is utilized to provide interactive voter services;
- ensure that voters with disabilities will have access to polling places and voting methods that allow them to vote independently;
- ensure that LBEs are conducting elections pursuant to the requirements of State and federal election law; State information technology (IT) security requirements; and the regulations, policies, and guidelines of SBE; and
- ensure that campaign finance entities comply with the disclosure of the required campaign finance information in an accurate and timely manner.

**Performance Analysis: Managing for Results**

The performance of SBE is ultimately measured by how well the last election went. Recognizing this, SBE's Managing for Results (MFR) data submission each year is presented using election cycles rather than fiscal years.

## **1. No New Data**

Because no statewide election has occurred since the 2013 session, no new data is available in SBE’s fiscal 2015 MFR submission. The Department of Legislative Services (DLS) agrees that much of the data reported in the MFR (*e.g.* percentage of absentee ballots received from the website, percentage of applications submitted through the website, voter turnout, voting equipment deployed in elections) is dependent on the election cycle and is most appropriately measured this way. It is not meaningful to compare this type of data on a fiscal year basis or even to a different type of election. However, some of SBE’s existing measures might be appropriately measured on an ongoing basis, with measures such as:

- the number of certification-related courses offered by SBE;
- the number of LBE employees participating in the certification program; and
- the number of LBE employees that have obtained certification.

There are also other measures not currently reported by SBE that, while not direct activities of SBE, are relevant to the functioning of the electoral process and could be measured on an ongoing fiscal year basis, including new voter registrations processed, voter registration changes processed, and voter registration database cleanup activities (*e.g.* data related to the Electronic Registration Information Center (ERIC) activities). As the State entity responsible for the general functioning of the voting process in the State and as an entity that keeps data on voter registration, it seems appropriate for SBE to report on the data even if it is not the entity undertaking the direct activities.

**SBE should comment on the potential for reporting some existing or any potential new measures on a fiscal year rather than election cycle basis.**

## **2. Measures without Data**

Currently, SBE’s MFR submission contains two measures for which no data has been available since the 2008 election cycle (grade received by the Campaign Disclosure Project on the disclosure content accessibility of the Internet and grade received by the Campaign Disclosure Project on online contextual and technical usability) and one measure for which no data has been available for the four most recent election cycles (percentage of voters that have confidence in the voting system). SBE reports that no entity offers these types of grades for campaign disclosure at this time. SBE notes that the voter confidence measure may again be relevant with the change in the voting system planned for the 2016 elections. However, absent any data to report, SBE should consider options for changing these measures. SBE indicates that the agency will consider such a change.

### **3. Preparations for the 2014 Elections**

SBE has already undertaken many actions to prepare for the 2014 elections. Through January 22, 2014, SBE has received 732 candidacy filings (for both State and local offices). To prepare for these filings, SBE trains LBEs on candidate filing procedures and trains the candidates and campaign finance treasurers on campaign finance filing requirements.

Legislation in the 2013 session (Chapters 157 and 158) altered the calculations for determining the number of early voting centers in each jurisdiction. SBE determined the number of early voting centers for each jurisdiction under the new calculations in October 2013 and approved the early voting centers in November 2013 and an additional center in January 2014. SBE also has been in the process of procuring additional ePollbooks needed due to the increased number of early voting centers.

SBE has distributed its pre-election survey to LBEs. Conducted before each election, the survey requests contact information, personnel assignments, inventories of election supplies, and other election information from each LBE. LBEs will begin election judge training soon, with some beginning in February 2014.

In addition, SBE has completed its work on the Election Judges' Manual for 2014 and has forwarded chapters to the LBEs for customization. While LBEs customize many of the chapters, SBE must review the customized chapters to ensure that the chapters comply with State law.

SBE is also in the process of, or has completed, procurements related to the administration of an election, including ballot printing; printing, collating, and mailing absentee ballots; voting system support; and provisional ballot applications. SBE has also reviewed provisional voting guidelines and assorted forms, including the absentee ballot request, provisional ballot application, voting instructions, and the oath.

## **Fiscal 2014 Actions**

### **Proposed Deficiency**

The fiscal 2014 budget as enacted included an appropriation of \$1.15 million in special funds from the Fair Campaign Financing Fund for planning for a new optical scan voting system. Fair Campaign Financing Funds were first authorized for this purpose in the Budget Reconciliation and Financing Act (BRFA) of 2009. The BRFA of 2013 included an authorization for the use of an additional \$250,000 from the Fair Campaign Financing Fund to be used to complete several studies required in Chapters 157 and 158 (Improving Access to Voting). The special fund appropriation related to this authorization was added to SBE's fiscal 2014 budget by budget amendment.

At the time of these authorizations, it was not known that candidate(s) would request disbursements from the Fair Campaign Financing Fund for the 2014 gubernatorial primary. No

candidate had requested a disbursement from this fund since 1994. Two candidates have stated an intention to use public financing in the 2014 gubernatorial primary, one of whom has filed the paperwork and begun receiving disbursements. Budget actions have occurred to withdraw all Fair Campaign Financing Funds from SBE's fiscal 2014 budget that were not yet spent, so they may be available in the fund for the candidate(s). A budget amendment is in the approval process that would withdraw \$1.3 million of these funds so that the funds are available to the Fair Campaign Financing Fund and realign existing funds.

The proposed deficiency appropriation completes the actions necessary to address this withdrawal of Fair Campaign Financing Funds. The proposed deficiency appropriation of \$1.3 million (\$768,082 in general funds and \$549,066 in special funds) provides funds (1) to backfill the general funds (\$549,066) and local special funds (\$549,066) which, by action taken in the budget amendment, will be used to support the implementation of the optical scan voting system and (2) to fund the studies required in Chapters 157 and 158 of 2013 that were not yet spent at the time of the decision to withdraw (\$219,016) the general funds.

### **Cost Containment**

The fiscal 2015 budget includes a proposed negative deficiency appropriation, withdrawing \$39,376 from the fiscal 2014 appropriation, reflecting cost containment actions in the area of contractual services due to the anticipated lower cost of the call center contract. SBE notes that if the contract cost is not at the lower expected level, federal funds would be available for the contract.

There are three across-the-board withdrawn appropriations that offset the increase in deficiency appropriations. This includes reductions to employee/retiree health insurance, funding for a new Statewide Personnel IT system, and retirement reinvestment. These actions are fully explained in the analyses of the Department of Budget and Management – Personnel (DBM), the Department of Information Technology (DoIT), and the State Retirement Agency (SRA), respectively. SBE's share of these reductions is \$63,986.



## Proposed Budget

As shown in **Exhibit 1**, the fiscal 2015 allowance decreases by \$5.7 million, or 28.5%. Decreases occur among all three fund sources (\$2.0 million in general funds, \$2.6 million in special funds, and \$1.1 million in federal funds).

A portion of the federal fund decrease is the result of grants received from the U.S. Department of Health and Human Services for accessibility projects (\$128,000) and the Federal Voting Assistance Project (FVAP) (\$178,874), which are expected to be fully expended in fiscal 2014.

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**Exhibit 1**  
**Proposed Budget**  
**State Board of Elections**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Total</u></b>
2014 Working Appropriation	\$8,544	\$10,374	\$1,207	\$20,125
2015 Allowance	<u>6,548</u>	<u>7,738</u>	<u>100</u>	<u>14,386</u>
Amount Change	-\$1,997	-\$2,636	-\$1,107	-\$5,740
Percent Change	-23.4%	-25.4%	-91.7%	-28.5%

### Where It Goes:

#### Personnel Expenses

Regular earnings, including increments planned in fiscal 2015, prior year reclassifications, filling of vacant positions at higher salaries, and change in budgeting for positions created in fiscal 2014 by the Board of Public Works .....	\$292
Annualization of the fiscal 2014 cost-of-living adjustment and increments .....	109
1.6 new positions .....	108
Employee retirement.....	77
Social Security contributions.....	21
Employee and retiree health insurance .....	3
Overtime and unemployment more than offset by workers' compensation .....	-1
Turnover expectancy increase from 2.7 to 3.0% .....	-20
Eliminate contractual full-time equivalents that were converted to regular positions....	-60

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**Where It Goes:**

**Voting Technology**

Local funding for new voting system planning activities including personnel, voter outreach, warehouse, voting supplies, servers, voting services, project management team supplies, and oversight.....	911
Software licenses for election management system, ePollbook, and voting systems.....	423
Project management contract for the touchscreen voting system.....	155
Voting machine repairs and maintenance.....	-72
Touchscreen voting system maintenance and support, in part due to planned use of fiscal 2014 funds to support the election in fiscal 2015.....	-1,305
Final lease payments for Phase 2 purchase of touchscreen voting system and additional ePollbooks purchase for 2008 elections.....	-3,612

**Election Related Costs**

Voter outreach .....	25
Additional voting unit memory cards .....	24
Call center contract after accounting for fiscal 2014 cost containment.....	17
Absentee ballot printing and delivery.....	-81
Printing due to fewer of certain ballot types, voter registration applications, and voter accessibility projects.....	-99
Logic and accuracy technician for election .....	-148
Election training for election judges and other election day support.....	-151
Rental of voting machines .....	-208
Candidacy and ballot application system .....	-250
Transportation of voting units .....	-269
Supplies primarily for elections that are purchased for the primary and available for use in the general election.....	-521

**One Time or Limited Time Costs and Funding**

Grant for accessibility projects from the U.S. Department of Health and Human Services.....	-128
Federal Voting Assistance Project grants .....	-179
Studies required in Chapters 157 and 158 of 2013 (Improving Access to Voting).....	-250

**Voter Services**

Software upgrade for voter services and adding encryption.....	190
Association dues primarily for the Electronic Registration Information Center .....	50
Voter Registration System data center, software, and services contracts.....	-146
Addition of campaign filing to voter registration system .....	-538

**Administrative Expenses**

Software for network security needs .....	101
Network security consultant .....	75

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**Where It Goes:**

Department of Information Technology services allocation, statewide personnel system, and retirement administrative fee .....	13
Telecommunications expenses .....	-48
Additional and replacement equipment due to lower projected need.....	-121
Software licenses .....	-158
Postage and telephone partially offset by cell phone expenditures to better align with recent experience .....	-166
Other changes .....	197
<b>Total</b>	<b>-\$5,740</b>

Note: Numbers may not sum to total due to rounding. The fiscal 2014 working appropriation reflects negative deficiencies and contingent reductions. The fiscal 2015 allowance reflects back of the bill and contingent reductions.

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**Cost Containment**

There is one across-the-board reduction and one contingent reduction reflected in the Governor’s spending plan for the fiscal 2015 allowance. This affects funding for employee/retiree health insurance and retirement reinvestment. These actions are fully explained in the analyses of the DBM – Personnel and SRA. SBE’s share of these reductions is \$42,104.

**Personnel**

Personnel expenditures increase by \$588,664 in the fiscal 2015 allowance after accounting for the withdrawn appropriations in fiscal 2014 and across-the-board and contingent reductions in fiscal 2015 related to health insurance and retirement.

The fiscal 2015 allowance includes 1.6 new regular positions. One new regular position (an auditor position) is necessary to support the implementation of Chapter 419 of 2013 (the Campaign Finance Reform Act of 2013). A 0.6 new regular position is a conversion of an existing contractual full-time equivalent position. The fiscal 2015 allowance increases by \$108,440 for these new positions.

Regular earnings increase by \$291,830 in the fiscal 2015 allowance. This increase includes funds associated with the planned increments in fiscal 2015, prior year reclassifications, and filling of positions at a different salary than was budgeted. However, the increase also results from the addition of 2.5 positions by the Board of Public Works (BPW) to assist in implementing Chapter 419 during fiscal 2014 that are funded elsewhere in SBE’s fiscal 2014 working appropriation. Of these new regular positions, 1.5 were conversions of existing contractual full-time equivalents (FTE) and, in fiscal 2014, the funding for those positions is shown in the contractual employee payroll.

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As a result of the conversions of contractual FTEs through BPW action and the fiscal 2015 allowance, 2.1 contractual FTEs are eliminated in the fiscal 2015 allowance (a decrease of \$60,100).

#### **Existing Voting System**

The 2014 election cycle is the last statewide election cycle for which the existing voting system is expected to be used.

The fiscal 2015 allowance includes several changes related to the existing voting system. The final lease payment for the Phase 2 purchase of the system is made in fiscal 2014; Phase 1 and Phase 3 payments were completed previously. As a result, no lease payments for the existing system are required in fiscal 2015 (a decrease of \$3.5 million).

SBE is also anticipating decreases associated with the voting system maintenance and support contract with the touchscreen system vendor (\$1.3 million) and voting machine repairs and maintenance (\$72,400). SBE notes that, in part, the decrease for the touchscreen system support contract results from the overlap in fiscal years of the election cycle, allowing SBE to use funds budgeted in fiscal 2014 for support during the election held in fiscal 2015.

SBE's fiscal 2015 allowance increases for project management for the existing voting system (\$154,500) and the software licenses for the units (\$53,060).

#### **Election-related Changes**

Decreases totaling \$1.7 million occur in election-related areas. The largest decrease (\$520,788) results from the ability to use election supplies purchased for the primary election in fiscal 2014 in the general election in fiscal 2015. Some reductions also result from the ability to encumber fiscal 2014 funds for contracts used in both the primary and general elections. Other substantial reductions in the fiscal 2015 allowance for elections costs are:

- the contract for transportation for the voting machines (\$269,100);
- the candidacy and ballot application system (\$250,000);
- the rental of voting machines, which is not anticipated to be needed (208,000); and
- the contract for the training of election judges and other election support personnel (\$150,928).

## ***Issues***

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### **1. Status of Procurement of an Optical Scan Voting System**

Chapters 547 and 548 of 2007 prohibited SBE from certifying a voting system unless it includes a voter-verifiable paper record, which is defined as an optical scan system or a paper ballot created through the use of a ballot marking device. SBE was also required to certify a system that meets the Voluntary Voting System Guidelines (VVSG) for access for individuals with disabilities. These requirements were to be in effect for all elections held after January 1, 2010. Chapters 547 and 548 were contingent on the inclusion in the fiscal 2009 budget of sufficient funds to implement the Act.

Chapter 428 of 2009 subsequently modified the requirements to address concerns related to the organization approving the testing laboratory specified in the legislation and provided the option to continue using the existing voting system for individuals with disabilities if no system is certified that meets the accessibility standards in the VVSG at the time of the procurement. The legislature also provided a two-year timeframe for SBE to begin using a voter-verifiable paper record system following a determination that a system meets the accessibility standards in VVSG and other requirements. The legislature also changed the date by which the new voting system must be in place to the 2010 gubernatorial primary election.

### **Funding**

Funds were provided in fiscal 2009 and 2010 to implement the optical scan system, allowing the legislation to take effect. However, the amounts were ultimately reduced in cost containment actions, and nearly all of the remainder was cancelled. The fiscal 2011 budget included no funding for the system; as a result, SBE never finalized the procurement of the new system that was ongoing at the time of the fiscal 2011 budget release.

The fiscal 2012 budget also did not include funding for the new system. The fiscal 2013 budget initially did not contain funding for the new system; however, a deficiency appropriation of \$50,000 was later provided to begin the planning for the procurement of the new system. The fiscal 2014 budget included \$1.15 million in funds for the planning phase of the procurement. These funds were to be used for consultants for the project, including assistance in writing the request for proposals (RFP).

The fiscal 2015 allowance includes a total of \$4.1 million, of which half is included in the Major IT Development Project Fund, and half is included in the budget of SBE. The anticipated expenditures in fiscal 2015 will support:

- contracts for personnel in 15 labor categories to support the procurement and implementation process needed, in part, as a result of the agency's focus on the upcoming elections during key stages of the procurement process (\$2.7 million);

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- warehouse costs (\$501,000);
- voting supplies (e.g. memory cards, privacy sleeves, transfer cases, ballot on demand paper) (\$331,800);
- DoIT oversight (\$196,332);
- voter outreach (\$133,031);
- transportation (\$125,000);
- voting services (e.g. ballot programming, ballot shipping, interface programming, insurance, and testing ballots) (\$117,200); and
- project management equipment and travel (\$5,000).

SBE's planned personnel support are in the following labor categories: (1) project manager; (2) functional project manager; (3) technical writer; (4) project administrator; (5) quality assurance manager; (6) senior business process analyst; (7) business analyst (for the voting system); (8) business analyst (for a new inventory system); (9) public relations and voter outreach coordinator; (10) organizational change manager; (11) testing specialists; (12) warehouse manager; (13) training coordinator; (14) trainers; and (15) Internet/web developer. It is the understanding of DLS that 3 of these individuals have been hired (project manager, functional project manager, and technical writer). SBE also plans to hire 3 more of these personnel in fiscal 2014 (project administrator, senior business analyst, and voting system business analyst). Several of these categories of labor could be combined to reduce the total cost. In addition, some appear duplicative of existing SBE staff or contracts. **DLS recommends reducing the funding for personnel support, with the reduction shared by both the State and local funds.**

No capital lease payment for the optical scan equipment, accessible machines, ballot on demand printers, or costs for voting booths or carts is included in the fiscal 2015 allowance. These payments are not expected to be needed until fiscal 2016. SBE indicates that past voting system contracts have withheld payment until one election has been held with the system.

**Exhibit 2** provides the estimated capital lease costs by year, assuming the lease payments begin in fiscal 2016, and comparing a three-year and five-year lease. Actual costs are subject to change based on the final contract awards, differences in the length/timing of the financing agreement, and interest rates. As shown in Exhibit 2, a five-year lease would provide lower lease payments per year, but a higher overall cost than a three-year lease. Some costs for the new voting system may not be eligible for capital lease financing (in particular, carts, voting booths, servers, server printer, and power backup) and are not included in the estimate in Exhibit 2. The estimate of the cost of these items has not been fully developed but would be expected to add a minimum of \$5.7 million.

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**Exhibit 2**  
**Anticipated Equipment Lease Costs**  
**Fiscal 2016-2020 Est.**

<b>Amount Financed (Est.)</b>	<b>\$47,750,000</b>	
	<b><u>3-year Lease</u></b>	<b><u>5-year Lease</u></b>
2016	\$10,289,591	\$6,289,906
2017	\$19,798,804	\$11,520,272
2018	\$19,777,414	\$11,508,766
2019		\$11,496,891
2020		\$11,484,634
<b>Total Payments (Includes Interest and Fees)</b>	<b>\$49,865,809</b>	<b>\$52,300,469</b>

Note: Amount financed includes only estimated cost of precinct level scanners, high speed scanners, ballot marking devices, and ballot on demand printers. Estimates from the State Board of Elections (SBE) based on cost estimates developed for a 2010 study by RTI International and SBE estimates of equipment needs.

Source: State Board of Elections; Department of Legislative Services

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DLS notes that, although the fiscal 2015 *Governor's Budget Books* includes a total of \$46.8 million for the planning and implementation of the system from fiscal 2013 to 2018, SBE has since revised the estimates of the hardware costs; therefore, the cost estimated in the *Governor's Budget Books* likely understates the total cost of planning and implementing the new system.

### **Implementation Status**

SBE continues to conduct the planning activities for the new voting system. SBE has been in the process of hiring personnel support and, as noted, several positions have already been filled. The project manager and functional project manager began work in late October 2013. Following the selection of these individuals, SBE began the process of hiring other necessary positions through a task order RFP.

SBE has also developed a governance team for the project. Through the fall, the team reviewed comments from regional meetings held with LBEs. SBE has begun the process of working with the Department of General Services to identify a temporary central warehouse for the transition.

In addition, SBE decided to pre-certify voting systems prior to the release of the RFP. Under previous RFPs, the certification happened later in the process, rather than before the bidding of the contract. To date, SBE has received one system for certification from Dominion Voting

Systems, Inc. In November 2013, SBE held a public demonstration of the system. SBE expects that the pre-certification process will continue through the first quarter of calendar 2014. **SBE should comment on whether any other systems will be submitted for certification.**

SBE's planned timeframe for the remaining key activities is as follows:

- release the RFP for the voting system hardware in the second quarter calendar 2014;
- award the contract for the voting system hardware in December 2014;
- begin training election officials and election judges in the first quarter calendar 2015;
- start receiving the voting system equipment and begin acceptance testing and training in the second quarter calendar 2015;
- hold a statewide mock election in the third quarter calendar 2015; and
- complete the delivery of the voting system equipment in December 2015.

**SBE should comment on the process for procuring this system and whether it anticipates it may have difficulty meeting the schedule to have the system in place by the April 2016 presidential primary.**

### **Project Risks**

The fiscal 2015 IT Project Request (ITPR) submitted to DoIT includes an estimate of project risk in 11 areas. SBE rated the risk for 6 of these areas as high; a description and listed mitigation activities are described in the ITPR as:

- **Sponsorship** – losing financial and political support, which is mitigated by communication and stakeholder management to forecast and proactively address potential issues;
- **Funding** – losing funding requiring a cancellation of the project again, which will be mitigated by work to ensure continuous and full funding of the project;
- **Interdependencies** – separate contracts (such as ballot printing) are dependent on the voting system procurement;
- **Organizational Culture** – the need to adjust business processes of both SBE and LBEs, which will be mitigated by a business process analysis and review, organization change management, documentation, communication, and communication and collaboration with stakeholders;



- **Supportability** – not receiving or maintaining cooperation and assistance with the project, which will be mitigated by stakeholder identification and management and communications management; and
- **Implementation** – implementation occurring during the presidential elections, which will be mitigated by opportunities for testing and training of the system prior to deployment, including a full statewide mock election to allow for a dress rehearsal of the system and a comprehensive voter education and outreach program.

DoIT highlighted two risks in the fiscal 2014 *Mid-Year Report on the Major Information Technology Development Projects*: (1) SBE has experienced a schedule delay but anticipates that additional project management will mitigate the risk and (2) SBE subject matter experts will have limited availability to support the project due to the preparations and conduct of the 2014 elections.

## **2. Implementation of Improving Access to Voting Changes**

Chapters 157 and 158 of 2013 (Improving Access to Voting) made several changes to the voter registration and voting process, particularly related to the online voter registration process, early voting, and the absentee ballot request and delivery process. SBE has begun to take actions to implement the changes.

### **Online Voter Registration**

The chapters altered the requirements for online voter registration. Under the new rules, individuals must provide (1) a Maryland driver's license or identification card number; (2) the last four digits of their Social Security number; and (3) other information determined by SBE that is not generally available to the public but is readily available to the individual. SBE, in consultation with security experts and the Office of Legislative Audits IT experts, chose to use the date the driver's license or identification card was issued as the data element for information that is generally not available to the public but is readily available to the individual. These changes do not impact applications submitted by an absent uniformed services voter or overseas voter. The regulations making this change became effective in September 2013. The necessary software changes were made in June 2013.

### **Early Voting**

The chapters altered the rules related to determining the number of early voting centers in each jurisdiction. These changes expand the number of early voting centers for jurisdictions with 125,000 to 150,000 registered voters and those with more than 450,000 registered voters. **Exhibit 3** provides a comparison of the number of early voting centers required under the new rules and the number required under the old rules, and the jurisdictions falling in each category. As determined by the number of registered voters on October 22, 2013, there are an additional 11 voting centers required statewide compared to the previous rules. Each jurisdiction is also afforded the opportunity to choose to have one additional early voting center.

**Exhibit 3  
Early Voting Center Comparison**

<b>Early Voting Rules under Chapters 157 and 158 of 2013*</b>			<b>Prior Early Voting Rules*</b>		
<b><u>Registered Voters</u></b>	<b><u>Centers</u></b>	<b><u>Jurisdictions</u></b>	<b><u>Registered Voters</u></b>	<b><u>Centers</u></b>	<b><u>Jurisdictions</u></b>
<125,000	1	Allegany Calvert Caroline Carroll Cecil Charles Dorchester Garrett Kent Queen Anne’s St. Mary’s Somerset Talbot Washington Wicomico Worcester	< 150,000	1	Allegany Calvert Caroline Carroll Cecil Charles Dorchester Frederick Garrett Kent Queen Anne’s St. Mary’s Somerset Talbot Washington Wicomico Worcester
125,000 – 300,000	3	Frederick Harford Howard	150,000 – 300,000	3	Harford Howard
300,000 – 450,000	5	Anne Arundel Baltimore City	> 300,000	5	Anne Arundel Baltimore City Baltimore County Montgomery Prince George’s
> 450,000	8	Baltimore County Montgomery Prince George’s			

\*As of October 22, 2013

Source: State Board of Elections; Department of Legislative Services; Chapters 157 and 158 of 2013; Chapter 445 of 2009

SBE approved 63 early voting centers (the 59 required centers and 4 optional centers). The option for an additional center was chosen by Baltimore City, Harford County, Montgomery County, and Queen Anne’s County.

Initially, the dates and hours for early voting were established only for the 2010 and 2012 elections. Chapters 157 and 158 establish new timeframes for early voting for all future elections, which has the impact of providing additional days. In addition, for the presidential general election, the hours of early voting each day are expanded. **Exhibit 4** compares the early voting periods under the previous rules and the new rules. SBE notes that all of the approved early voting centers are capable of accommodating the additional early voting times required under the statute.

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### Exhibit 4 Early Voting Hours Comparison

	<b>Future Elections (Under Chapters 157 and 158 of 2013)</b>	<b>2012 Presidential Elections (Under Chapter 445 of 2009)</b>	<b>2010 Gubernatorial Elections (Under Chapter 445 of 2009)</b>
<b>Days</b>	Second Thursday before election – Thursday before	Second Saturday before election – Thursday before	Second Friday before election – Thursday before, excluding Sunday
	<i>A total of 8 days</i>	<i>A total of 6 days</i>	<i>A total of 6 days</i>
<b>Hours</b>	Presidential General Election only: 8 am – 8 pm  Presidential Primary, Gubernatorial General, and Gubernatorial Primary elections: 10 am – 8 pm	10 am – 8 pm	10 am – 8 pm

Source: Chapters 157 and 158 of 2013; Chapter 445 of 2009

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### Same-day Voter Registration

Chapters 157 and 158 also authorize individuals to register to vote and update their addresses on the day of voting, but only during early voting periods and only at early voting centers. Individuals applying for same-day voter registration must provide a driver's license or identification card with a current address or a copy of an official document with a current address and the applicant's name. The election judge must determine whether the individual is qualified to become a registered voter and whether the voter resides in the jurisdiction in which the individual is applying to vote (if updating an address). If qualified to vote, the election judge is required to issue a voting authority card, sign the card, and issue the ballot. SBE has updated the software for the ePollbooks to allow for same-day voter registration during early voting. SBE is currently testing the software. SBE indicates that it plans to update policies and procedures for this process at a future date, after the software testing is complete.

## **Absentee Ballot Process**

The chapters expand the options for applying for an absentee ballot to allow for an application to be submitted through the Internet. In addition, the chapters provide for a different absentee ballot application deadline for those individuals receiving the ballot through the Internet rather than through mail or by fax. To apply for an absentee ballot online, an individual must provide (1) a Maryland driver's license number or identification card number; (2) the last four digits of the applicant's Social Security number; and (3) other information determined by SBE. For an absent uniformed services voter or overseas voter under the Federal Uniformed and Overseas Citizens Absentee Voting Act who does not have a Maryland driver's license or identification card number, the individual may apply online for an absentee ballot with only a Social Security number. SBE explained that as of November 2013, absentee ballot applications can be submitted online through the online voter registration portal.

If an individual receives an absentee ballot on the Internet, the individual is able to continue to apply until the Friday before the election, whereas an individual receiving an absentee ballot by mail or fax must do so by the Tuesday before the election. In addition, an individual requesting an absentee ballot in person at a LBE office may do so until the polls close on the day of the election. The chapters also clarify that individuals may receive the absentee ballot by mail, fax, Internet, or by hand, and that individuals with in-person applications should receive their absentee ballots immediately.

Chapters 157 and 158 of 2013 also define online ballot marking tools and authorize SBE to provide an accessible online ballot marking tool as an option for voters who have chosen to have the absentee ballot sent through the Internet. If SBE chooses to use an online ballot marking tool that uses a bar code to generate a ballot, LBEs must compare each vote on the ballot marked by the voter to the vote generated from the bar code and, if there is a discrepancy, consider the ballot marked by the voter as the valid vote. The chapters also require that LBEs provide the voter with an envelope template, the oath, and instructions for marking and returning the ballot for individuals receiving the absentee ballot through the Internet or fax. SBE notes that the online ballot marking tool it has used previously has been redesigned. The redesigned tool was in the process of security, usability, and accessibility testing during November 2013. The outcome of these tests is discussed in Update 2.

## **Fine Increase**

Chapters 157 and 158 of 2013 also increased the maximum fine from \$2,500 to \$5,000 for individuals willfully and knowingly:

- impersonating another individual in order to vote or attempt to vote;
- voting or attempting to vote under a false name;
- voting more than once for a candidate for the same office or same ballot question;

- voting or attempting to vote more than once in the same election or in more than one election district or precinct;
- voting in an election district or precinct without the legal authority to vote in it;
- influencing or attempting to influence a voting decision through force, threat, menace, intimidation, bribery, reward, or offer of reward;
- influencing or attempting to influence a decision to go to the polls through force, fraud, threat, menace, intimidation, bribery, reward, or offer of reward; or
- engaging in conduct that results in or is intended to result in the denial or abridgement of the right to vote based on race, color, or disability.

SBE stated that no actions are required by the agency to implement this change.

**SBE should comment on any additional actions that are necessary to implement the new requirements in Chapters 157 and 158, particularly as it relates to absentee ballots, online voter registration, and same-day voter registration.**

### **3. Presidential Commission on Election Administration**

In March 2013, President Barack H. Obama issued an executive order establishing the Presidential Commission on Election Administration. The commission was tasked with identifying best practices and making recommendations to promote the efficient administration of elections to ensure eligible voters can cast their ballots without unnecessary delay and improve the voting experience for those who face obstacles to casting a ballot. The commission was expected to consider:

- the number, location, management, operation, and design of polling places;
- the training, recruitment, and number of poll workers;
- voting accessibility for uniformed and overseas voters;
- the efficient management of voter rolls and poll books;
- voting machine capacity and technology;
- ballot simplicity and voter education;

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- voting accessibility for individuals with disabilities, limited English proficiency, and other special needs;
- management of issuing and processing provisional ballots in the polling place on Election Day;
- the issues presented by the administration of absentee ballot programs;
- the adequacy of contingency plans for natural disasters and other emergencies that may disrupt elections; and
- other issues related to the efficient administration of elections that the chairs agree are necessary and appropriate to the commission's work.

The commission was expected to submit a final report within six months of the first public hearing. The commission held multiple public meetings and a public conference call, with the first held on June 21, 2013, and the final one on December 3, 2013. Maryland's State Administrator of Elections presented at one of these meetings.

The report was submitted in January 2014.

### **Recommendations**

The commission made a variety of recommendations and highlighted multiple best practices but highlighted six of the recommendations in particular:

- Every state should allow for online voter registration.
- States should update and check voter registration lists against other states with projects such as ERIC or the Interstate Voter Registration Crosscheck Program to ensure that voters are registered in only one place, that the registration lists are accurate, and that potentially eligible but unregistered voters can be identified.
- Early voting opportunities should be expanded (including mail balloting and in-person early voting).
- States should use schools for polling places and to address security concerns; Election Day should be an in-service day for students and teachers.
- Election officials should use a resource allocation calculator in determining deployment of equipment and staff to reduce the likelihood of wait times.

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- The standards and certification process for voting technology should be reformed to encourage innovation and adoption of off-the-shelf and software only technologies.

Some of the other recommendations were that jurisdictions should establish voting centers (polling places where any registered voter in that jurisdiction can vote); jurisdictions should recruit and retain public and private employees and students to be poll workers; states should institute poll worker training standards; advisory groups for voters with disabilities and for voters with limited English proficiency should be established; comprehensive management practices to ensure polling places are accessible should be adopted; jurisdictions should provide bilingual poll workers; and jurisdictions should test election materials for plain language and usability.

The commission also concluded that no voter should have to wait more than half an hour to vote. Maryland's own challenges with wait times and possible changes to resolve the issues are fully discussed in Update 2. However, one recommendation was to change the allocation process to focus on peak time turnout rather than registered voters. This type of change could be addressed through the resource allocation proposals mentioned in the commission report. The commission's website contains links to sample calculators for line optimization and poll worker management, poll worker and machine optimization, and line optimization hosted by the Caltech-MIT Voting Technology Project.

Maryland has already adopted online voter registration and, as is discussed in Update 1, participates in ERIC. Maryland will also be implementing changes to expand early voting days and adding early voting centers in some jurisdictions in the upcoming 2014 elections, as discussed in Issue 2.

**SBE should comment on how or whether any of the other recommendations or best practices of the Presidential Commission on Election Administration are being considered or will be implemented in Maryland.**

## ***Recommended Actions***

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	<b><u>Amount Reduction</u></b>
1. Reduce funding for personnel support for the new voting system by 15%. The fiscal 2015 allowance includes \$4.1 million for the new voting system Major Information Technology Development project. The State share (\$2.06 million) is included in the budget of the Major Information Technology Development Project Fund, and the local share (\$2.06 million) is in the budget of the State Board of Elections (SBE). Of the \$4.1 million planned for fiscal 2015, \$2.7 million will be used for consultants in 15 labor categories. Several of these labor categories could be combined to reduce cost. In addition, some labor categories appear duplicative of existing positions within SBE. This action reduces the local share. An action in the Department of Information Technology reduces the State share.	\$ 203,521 SF
<b>Total Special Fund Reductions</b>	<b>\$ 203,521</b>



## ***Updates***

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### **1. Voter Registration Data Exchange**

Chapters 288 and 289 of 2011 authorized SBE to enter into agreements with other states to exchange data that the State Administrator of Elections determines is relevant to maintaining an accurate voter registration list. Under this authorization, Maryland joined ERIC, which is a nonprofit organization that assists states in improving the accuracy of voter registration lists and increasing access to voter registration. ERIC is governed by the states that are part of the organization but was developed with assistance from the Pew Charitable Trust. ERIC is funded by the member states. The fiscal 2015 allowance provides \$50,000 for Maryland's share of the cost. The states/jurisdictions currently involved in ERIC are:

- Colorado;
- Delaware;
- District of Columbia (joined in January 2014);
- Maryland;
- Nevada;
- Oregon;
- Utah;
- Virginia; and
- Washington.

The primary role of ERIC is to manage a data center which safely and securely compares data on voters. The data center compares voter registration data, data from motor vehicle agencies, and death records, and matches provided information on registered voters who may have moved or died. This assists in eliminating duplicate records or records for individuals who are no longer eligible to vote. In addition, the data assists states in identifying voters who are potentially eligible to vote but may not be registered.

### **Status**

When a potential duplicate record or updated address comes in, LBEs review the data and attempt to verify the information before making changes to the voter registration lists. From the first batch of reports, SBE indicates nearly 37,000 voter registration records were updated, including

merging duplicate records, making address changes for in-state movers, and cancelling registrations for those who have moved out of State or died.

SBE indicates that a second set of reports was reviewed by LBEs in November 2013. Additional reports are expected to be received every 30 to 60 days.

In addition, SBE indicates that, as a result of the data available through ERIC, it sent 1.1 million postcards before the 2012 general election to individuals who were potentially eligible to vote but unregistered according to a report from ERIC. According to RTI International, from the postcards mailed, 31,919 individuals registered, and 26,712 of those voted in the 2012 election. SBE anticipates sending the next set of mailings in September 2014, and that the number of mailings sent at that time will be lower than the previous mailing.

## **Evaluation**

RTI International evaluated the first stage of implementation of ERIC in a report submitted to the Pew Charitable Trust. This report focused only on the mailings the states sent out in 2012 to potentially eligible but nonregistered voters. The evaluation found that states participating in ERIC had a greater increase in voter registration than states that did not participate in ERIC. In fact, nonparticipating states actually saw a decline in voter registration. States participating in ERIC also had a greater improvement in new voter registrants than states that did not participate in ERIC. Other findings were that:

- States participating in ERIC had a smaller decrease in voter turnout than states that did not participate in ERIC.
- States participating in ERIC had a smaller increase in the percent of provisional ballots issued and percent of provisional ballots rejected than states that did not participate in ERIC.
- States participating in ERIC had a decrease in individuals stating that issues related to the voter registration deadline were the reason the individual was not registered, while states that did not participate in ERIC had an increase.
- States participating in ERIC had a smaller increase in the percent of individuals that stated that not knowing where or how to register was the reason the individual did not register than occurred in states that did not participate in ERIC.
- States participating in ERIC had a greater decrease in the percent of individuals stating that voter registration issues were the reason the individual did not vote than occurred in states that did not participate in ERIC.

The evaluation also provided results of interviews conducted with elections officials in the states participating in ERIC. In these interviews, RTI indicates that, in general, states viewed ERIC favorably despite some problems, including a delay in the start up of the program, the timing of the

lists for mailing, and the timing of the lists that are used to correct the existing voter registrations rather than add new registrants.

The interviews also revealed that the new process helped states discover errors in existing voter registrations in data such as birth dates, which led to some mailings being sent to individuals who were already registered to vote. Similarly, other states discovered issues with the voter registration databases through ERIC, for example, with how missing Social Security numbers were handled. RTI also noted that ERIC helped Maryland discover issues with the data that was being shared, for example, that it included data that was not relevant from inactive driver's licenses. Finally, states found issues with information from the motor vehicle files, such as containing nonresidents (because of commercial driver's licenses or how citation information is handled).

RTI stated that a future report will evaluate the second stage of implementation of ERIC focused on the voter registration list maintenance.

## **2. Improving Access to Voting Required Studies**

Chapters 157 and 158 of 2013 required four studies: (1) an analysis of extending early voting to the Sunday before the election; (2) an analysis of voting waiting times; (3) an accessibility and usability evaluation of the online ballot marking tool; and (4) the security of online voter services. These reports were due December 31, 2013. One report was submitted in December 2013, with the others submitted in January 2014.

### **Extending Early Voting**

Section 4 of Chapters 157 and 158 required SBE to conduct a detailed analysis of options and administrative requirements for extending the early voting period to the Sunday before Election Day and required the analysis to evaluate at least two options: (1) to supply a paper supplemental list of voters who voted at an early voting center to polling places on Election Day and (2) to update the ePollbooks used on Election Day with the names of voters who voted at an early voting center. The study was required to address the technical changes required to support early voting through the Sunday before the election, the impact of an extension on other election procedures, an estimate of the fiscal impact, and the potential effect on voter turnout. Finally, SBE was to consult with election officials in at least five other states that offer early voting through the Sunday before Election Day and complete a written analysis of the policies and practices of those states and how they might be applied in Maryland.

The required study was completed by the Schaefer Center for Public Policy at the University of Baltimore. According to the study, there were no states that allowed early voting, as it is defined in Maryland, through the Sunday before the election during the 2012 presidential general election. However, two states were required by federal courts to allow for in-person absentee balloting until that date. Although there were not five states who had early voting until Sunday to consult as required, the study provided an analysis of four states that had early voting until the Saturday before Election Day and one that had early voting until the Friday before Election Day. In each state early

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voters are tracked in a data system (such as a voter registration or election management system), and the records are generally used to prevent early voters from voting again on Election Day through efforts to upload information to ePollbooks or provision of printed lists or voter records, including an early voting notation sent to polling places.

According to the study, local election directors did not want early voting extended to the Sunday before Election Day due to difficulties that would be encountered in updating ePollbooks and the additional stress on election official staff and personnel. Local election officials estimated the range of additional costs to be \$1,000 to \$25,000 per site per day (for items such as staffing, security, and facility rental costs).

The impact on election procedures from such a change would be most heavily felt in the preparation of ePollbooks. SBE's processes to prepare the update of the ePollbooks was said to require 13 hours. LBEs use this bulk update information to update each ePollbook. The update takes approximately 6 minutes for each ePollbook. The total time for all ePollbooks to be updated is dependent on the number of ePollbooks in the jurisdiction, but it requires a minimum of 4 to 6 hours. Nearly all local election directors were in support of updating the ePollbooks after the end of early voting. In addition, under the current process, election judges can pick up the ePollbooks any time beginning the Saturday before the election so that the ePollbooks can be in place to be set up on the Monday night before the election. A change in the pickup time would impact the ability to be ready to set up at that time.

The study anticipates that the number of individuals participating in early voting will increase over time, especially with the planned addition of same day voter registration; however, prior reports of early voting indicate that it does not increase the overall voter turnout. Also, in a comparison of voter check-ins on Election Day in areas with high levels of early voters and low levels of early voters, the reduction in voter check-ins varied by the time of day and had the least impact during the early morning hours (the time when wait times are most likely).

The study provided four options for early voting:

- connecting the ePollbooks to a central database server at SBE on Election Day (instead of the current updating process), an estimated one-time cost of \$2.5 million (for expanding the network), and ongoing costs of \$1.5 million per election (for telecommunication and technical support costs);
- providing printed lists of early voters and late absentee voters rather than the update, which would be expected to add 10 to 20 seconds to check-in for each voter and have an estimated cost of \$250,000;
- allowing in-person absentee voting at the LBE offices on the Sunday before the election, which was indicated would add a burden for small staffs, including the time necessary to interact with the public and for additional absentee ballot canvassing; and

- waiting on a decision about this issue until after the 2016 elections because of the currently planned changes.

### **Voting Wait Times**

Section 5 of Chapters 157 and 158 required SBE to review the maximum wait times for Maryland voters in the 2010 and 2012 primary and general elections and:

- identify the causes for wait times more than 30 minutes;
- propose target maximum wait times for voters at early voting centers and polling places at primary and general elections;
- review and conduct a detailed analysis concerning the deployment of voting equipment and related infrastructure; and
- review the staffing practices and procedures utilized by LBEs to determine adjustments that could be implemented to reduce the maximum wait times to 30 minutes or 60 minutes.

If the study determines that additional equipment, infrastructure, or staff are needed to produce these wait times, the study should provide a fiscal estimate of implementing the standards.

The required study was completed by the Schaefer Center for Public Policy at the University of Baltimore. The study was completed by conducting a survey, reviewing national surveys, and conducting an election simulation.

Of note, in the survey, voters generally did not see voting wait times as a growing problem. For example, 44.0% of early voters and 53.9% of Election Day voters felt that voting took the same amount of time in the 2012 election as in the past.

In general, the study found that:

- wait times were longer for early voters than voters on Election Day;
- wait times were longer for the large jurisdictions;
- wait times were heavily affected by the ballot length; and
- wait times were longer for those who arrived early in the day (prior to 9:00 a.m.).

Other factors that may impact voting wait times include the allocation of equipment; the availability of technical resources for equipment malfunctions; the number and proficiency of check-in election judges; voting machine turnover time, including the length of instructions on how to

use machines; and voter education (such as knowing and understanding the ballot questions and knowing which times have a lower turnout).

The study concluded with several suggestions for legislative or administrative actions:

- the creation of an Election Infrastructure Fund (a revolving fund) available to SBE and LBEs for facility and technology upgrades;
- the voting system allocation should be enhanced when predicted turnout in a polling place is expected to be higher than 60%, or if ballots are a certain length;
- the length of ballots' impact on election administration and wait times should be considered by state and local leaders and administrative agencies;
- the strategies related to the availability of acceptable voting sites should be examined; and
- the allocation of machines, personnel, and materials should be based on peak hour turnout (not just overall anticipated turnout).

Other recommendations were to consider the consolidation of polling places and to use observers to gather data on the flow of voters and wait times.

The study suggests four adjustments for polling place management that can reduce perceived wait times: (1) having a single line to the check-in table; (2) giving individuals waiting in line something to do (*i.e.*, a sample ballot to review); (3) forming a separate line for those waiting for machines (not delaying check-in when the issue is waiting for the voting machine); and (4) updating voters on the wait time and reason for delay.

The study also indicates that efforts should be made to recruit qualified staff and election judges and that election judges should be trained to identify constraints and to reallocate election judge resources to alleviate those constraints. Voter outreach was also believed to improve wait times, with specific education on polling place changes, explanations and locations for early voting, and historical patterns of wait times. Finally, the study suggests that policies on the use of cell phones in voting lines could be revised.

### **Evaluations of the Online Ballot Marking Tool**

Section 6 of Chapters 157 and 158 required SBE to conduct an accessibility and usability evaluation of the online ballot marking tool for voters with disabilities. The evaluation was to include a public demonstration and an evaluation by individuals representing a cross-section of voters with disabilities. SBE was to conduct the evaluation before approving the online ballot marking tool for use by voters with disabilities.

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The required evaluations were conducted by the University of Baltimore. As requested, the study included elderly participants and participants with a variety of disabilities, including voters with no vision, low vision, dexterity issues, cognitive impairments, hearing impairments, and low literacy skills. The study was completed in two rounds, with improvements to the process made during and between each round.

SBE has made improvements to the tool based on the usability assessments which have:

- improved the process for write-in candidates;
- improved the process for revisiting ballot choices from the review screen (which summarizes the voter’s choices) and navigating back to the review screen after the choice was revisited;
- eliminated dropdown options that caused browser errors, manipulation challenges, and access problems for individuals using certain software;
- improved the login process through simpler instructions and clearer treatment of the navigational buttons and the choice between printing a blank ballot and marking a ballot online;
- changed the placement and clarity provided to certain navigational features (such as the review and print option and progress through the ballot);
- improved error messages for possible overvotes and highlighting more clearly undervotes;
- improved screen contrast;
- improved screen reader experiences through refinement of links and background code;
- improved e-mail communication and instructions from SBE by reducing text, highlighting key information, increasing the prominence of the link related to the ballot access code, and eliminating inconsistent language;
- revised the print process, print instructions, and providing a link to download a version of the ballot if difficulties in printing occur; and
- added a checklist to help voters complete the process of signing the oath and mailing the ballot.

Despite the improvements, some issues remain to be resolved, including use with screen readers, additional improvements to the printing process, the need to add mobile support or a mobile option, continuing to reduce inconsistent language, continuing to work to add identifying text for ballot questions in the navigation panel and the review screen, ensuring adequate font size in all

phases of the tool, and creating an ability to submit the ballot online. The report recommends SBE prepare for additional phone support for the ballot printing process. The report also noted that SBE should screen for America Online addresses and provide special instructions for these voters because of challenges with using the tool with this browser.

### **Security of Online Voter Services**

Section 7 of Chapters 157 and 158 required SBE to engage an independent consultant to study and make recommendations on improving the security of (1) absentee ballot delivery and marking and the return and tabulation of absentee ballots that are delivered and marked electronically; (2) other online voter services, including online voter registration and online absentee ballot applications; and (3) any other voting technology specified by SBE. To complete this study, SBE contracted with Unatek, Inc.

The test was designed to determine if a simulated attacker could penetrate the defenses of the system, the impact of a security breach on the integrity of the system, the confidentiality of the information in the system and the internal infrastructure, and the availability of the system. For example, the company attempted to see if an attacker could gain access to the system and insert new data records or change existing records.

In the three assessment areas (web application vulnerability assessment, penetration testing, and database assessment) the company did not find any vulnerability in the systems that could be exploited or that did not have compensating controls. Specifically, Unatek, Inc. concluded that a remote attacker could not penetrate the defenses of these systems.



## ***Current and Prior Year Budgets***

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### **Current and Prior Year Budgets State Board of Elections (\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2013</b>					
Legislative Appropriation	\$9,323	\$7,631	\$100	\$0	\$17,054
Deficiency Appropriation	0	50	0	0	50
Budget Amendments	25	16	1,522	0	1,564
Reversions and Cancellations	-1,762	-1,953	-879	0	-4,594
<b>Actual Expenditures</b>	<b>\$7,586</b>	<b>\$5,744</b>	<b>\$744</b>	<b>\$0</b>	<b>\$14,074</b>
<b>Fiscal 2014</b>					
Legislative Appropriation	\$8,588	\$10,119	\$200	\$0	\$18,908
Budget Amendments	59	255	1,007	0	1,321
<b>Working Appropriation</b>	<b>\$8,648</b>	<b>\$10,374</b>	<b>\$1,207</b>	<b>\$0</b>	<b>\$20,229</b>

Note: Numbers may not sum to total due to rounding. The fiscal 2014 working appropriation does not include deficiencies or contingent reductions.

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## **Fiscal 2013**

SBE's fiscal 2013 expenditures were \$3.0 million less than the legislative appropriation. General fund expenditures of SBE were \$1.7 million less than the legislative appropriation. An increase of \$25,371 as a result of a realignment of telecommunications expenditures between State agencies was more than offset by reversions totaling \$1.8 million. These reversions occurred primarily in the voting services contract with Cirdan (\$1.5 million) and for DoIT oversight (\$250,000). The remainder (\$8,972) resulted from a fee for development of a new Statewide Personnel System, for which the State spent approximately 48% of this major IT project's appropriated budget, with the remainder reverted to the general fund.

Special fund expenditures were \$1.9 million less than the appropriation. A deficiency appropriation provided \$50,000 to begin the planning for the procurement of the new optical scan voting system. The remainder of the increase, \$16,213, supported the cost-of-living adjustment (COLA) provided to employees in January 2013. These increases were more than offset by cancellations totaling \$2.0 million, largely due to delays in hiring the regional managers and lower than expected expenditures for the voting services contract with Cirdan.

SBE's fiscal 2013 federal fund expenditures were \$643,728 higher than the legislative appropriation. Increases totaling \$1.5 million by budget amendment were available from HAVA (\$667,000), an accessibility grant from the federal Department of Health and Human Services (\$600,000), and a FVAP from the federal Department of Defense (\$255,460). The funds were used to continue the implementation of the online voter registration system, enhance the existing online absentee ballot delivery system, continue implementation of the Motor Vehicle Administration (MVA) voter registration interface, provide accessibility for voters with disabilities, and support the call center for the general election. These increases were partially offset by cancellations totaling \$878,732, intended to be used to support these same activities. These funds were inadvertently cancelled and have been added by budget amendment to fiscal 2014.

## **Fiscal 2014**

SBE's fiscal 2014 appropriation has increased by \$1.3 million as a result of:

- federal funds available to support ongoing activities related to implementation of the online voter registration system, enhancements to the online absentee ballot delivery system, continued implementation of the MVA voter registration interface; voter accessibility projects; and the call center from the HAVA (\$699,958), FVAP from the Department of Defense (\$178,874), and Accessibility Grants from the Department of Health and Human Services (\$128,000);
- a transfer from the Fair Campaign Financing Fund, as authorized in the BRFA of 2013, to fund studies required in Chapters 157 and 158 of 2013 (\$250,000);

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- the COLA provided to State employees in January 2014 (\$36,457 in general funds, \$3,046 in special funds);
- increments to be provided to State employees in April 2014 (\$13,292 in general funds and \$1,878 in special funds); and
- adjustments resulting from the annual salary review (\$9,450).

## Major Information Technology Projects

### State Board of Elections New Voting System Replacement

<b>Project Status<sup>1</sup></b>	Planning	<b>New/Ongoing Project:</b>	Ongoing.
<b>Project Description:</b>	This project will allow the State Board of Elections (SBE) to comply with the requirements of Chapters 547 and 548 of 2007. The project will support the selection, certification, and implementation of a new optical scan voting system. The proposed timeline for the project would allow SBE to have the new system in place for the 2016 presidential election cycle.		
<b>Project Business Goals:</b>	The current touchscreen voting system does not comply with State law that requires the State to have a voting system that includes a voter verifiable paper ballot that can be read by an optical scan voting unit. Additionally, the current touchscreen system was purchased in 2001 and is nearing the end of its lifecycle. There are limited parts for repair, and no new units are being produced for replacements.		
<b>Estimated Total Project Cost<sup>1</sup>:</b>	\$46.8 million	<b>Estimated Planning Project Cost<sup>1</sup>:</b>	\$5.3 million
<b>Project Start Date:</b>	Fiscal 2013	<b>Projected Completion Date:</b>	May 2014 (with release of request for proposals), planning stage only
<b>Schedule Status:</b>	As anticipated, SBE is in the process of procuring project management resources. According to the Department of Information Technology's (DoIT) fiscal 2014 <i>Mid-Year Report on Major Information Technology Development Project</i> , SBE has procured two project managers and is in the process of procuring additional project management resources. These resources are necessary to ensure the project is able to move forward while SBE personnel are focused on preparing for the 2014 elections.		
<b>Cost Status:</b>	Anticipated costs have increased due to the addition of an inventory system to the scope of the project.		
<b>Scope Status:</b>	An inventory system has been added to the scope of the project.		
<b>Project Management Oversight Status:</b>	The fiscal 2015 allowance includes \$196,332 for oversight. DoIT holds portfolio review meetings on this project, and receives quarterly updates on the project.		
<b>Identifiable Risks:</b>	In DoIT's fiscal 2014 <i>Mid-Year Report on Major Information Technology Development Project</i> , several risks of the project were identified. These risks include (1) a schedule delay because the project has a fixed deadline (the 2016 primary election); a substantial amount of work is required and additional project resources are needed to meet deadlines and (2) SBE subject matter experts may have limited availability during the planning because of the preparation for the 2014 election. The Information Technology Project Request identifies six high risk items (sponsorship, funding, interdependencies, organizational culture, supportability, and implementation).		
<b>Additional Comments:</b>	Estimated costs are subject to change as equipment and services are procured. In addition, estimates are subject to change in items to be financed. It is unclear whether certain equipment is eligible for financing under the capital lease; if the costs are not capital lease eligible, one-time costs may increase budget needs in one year.		

<b>Fiscal Year Funding (\$ in Thousands)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>Balance to Complete</b>	<b>Total</b>
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	1,200.0	3,290.2	4,314.6	1,540.7	1,555.3	0.0	0.0	11,900.8
Other Expenditures	0.0	832.8	7,030.2	13,527.2	13,512.6	0.0	0.0	34,902.8
<b>Total Funding</b>	<b>\$1200.0</b>	<b>\$4123.0</b>	<b>\$11,344.8</b>	<b>\$15,068.0</b>	<b>\$15,068.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$46,834.5</b>

<sup>1</sup> In calendar 2011, a two-step approval process was adopted. Initially, an agency submits a Project Planning Request. After the requirements analysis has been completed and a project has completed all of the planning required through Phase Four of the Systems Development Lifecycle (Requirements Analysis), including a baseline budget and schedule, the agency may submit a Project Implementation Request and begin designing and developing the project when the request is approved. For planning projects, costs are estimated through planning phases. Implementation projects are required to have total development costs.

**Object/Fund Difference Report  
State Board of Elections**

<u>Object/Fund</u>	<u>FY 13 Actual</u>	<u>FY 14 Working Appropriation</u>	<u>FY 15 Allowance</u>	<u>FY 14 - FY 15 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	37.50	40.00	41.60	1.60	4.0%
02 Contractual	2.10	2.10	0.00	-2.10	-100.0%
<b>Total Positions</b>	<b>39.60</b>	<b>42.10</b>	<b>41.60</b>	<b>-0.50</b>	<b>-1.2%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 2,844,328	\$ 3,205,639	\$ 3,781,052	\$ 575,413	18.0%
02 Technical and Special Fees	226,910	101,739	116,639	14,900	14.6%
03 Communication	680,954	857,532	641,086	-216,446	-25.2%
04 Travel	61,542	75,885	98,934	23,049	30.4%
07 Motor Vehicles	1,562	4,314	6,570	2,256	52.3%
08 Contractual Services	5,715,369	11,146,814	9,019,380	-2,127,434	-19.1%
09 Supplies and Materials	42,701	728,016	238,774	-489,242	-67.2%
10 Equipment – Replacement	136,471	101,509	5,000	-96,509	-95.1%
11 Equipment – Additional	3,836,092	3,636,425	0	-3,636,425	-100.0%
13 Fixed Charges	527,889	370,863	520,208	149,345	40.3%
<b>Total Objects</b>	<b>\$ 14,073,818</b>	<b>\$ 20,228,736</b>	<b>\$ 14,427,643</b>	<b>-\$ 5,801,093</b>	<b>-28.7%</b>
<b>Funds</b>					
01 General Fund	\$ 7,585,794	\$ 8,647,515	\$ 6,586,044	-\$ 2,061,471	-23.8%
03 Special Fund	5,744,296	10,374,389	7,741,599	-2,632,790	-25.4%
05 Federal Fund	743,728	1,206,832	100,000	-1,106,832	-91.7%
<b>Total Funds</b>	<b>\$ 14,073,818</b>	<b>\$ 20,228,736</b>	<b>\$ 14,427,643</b>	<b>-\$ 5,801,093</b>	<b>-28.7%</b>

Note: The fiscal 2014 appropriation does not include deficiencies. The fiscal 2015 allowance does not include contingent reductions.

**Fiscal Summary  
State Board of Elections**

<u>Program/Unit</u>	<u>FY 13 Actual</u>	<u>FY 14 Wrk Approp</u>	<u>FY 15 Allowance</u>	<u>Change</u>	<u>FY 14 - FY 15 % Change</u>
01 General Administration	\$ 3,977,666	\$ 4,006,968	\$ 4,370,280	\$ 363,312	9.1%
02 Help America Vote Act	10,046,152	15,071,768	7,995,878	-7,075,890	-46.9%
03 Major Information Tecnology Development Projects	50,000	1,150,000	2,061,485	911,485	79.3%
<b>Total Expenditures</b>	<b>\$ 14,073,818</b>	<b>\$ 20,228,736</b>	<b>\$ 14,427,643</b>	<b>-\$ 5,801,093</b>	<b>-28.7%</b>
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