

**Department of Legislative Services**  
Maryland General Assembly  
2019 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 624  
Ways and Means

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**Montgomery County - Voting Methods**  
**MC 29-19**

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This bill authorizes the Montgomery County Council to adopt, by law, a ranked choice voting system or an approval voting system for specified elections. **The bill takes effect June 1, 2019.**

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**Fiscal Summary**

**State Effect:** If a ranked choice voting system is adopted in Montgomery County for the 2020 elections, general fund expenditures increase by \$162,000 in FY 2020. Similar costs are incurred in future years.

**Local Effect:** If a ranked choice voting system or an approval voting system is adopted in Montgomery County for the 2020 elections, Montgomery County expenditures increase by approximately \$1.7 million (for a ranked choice voting system) or approximately \$1.0 million (for an approval voting system) in FY 2020. Costs are incurred in future years, but at a reduced overall level.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** The bill authorizes the Montgomery County Council to adopt, by law, a ranked choice voting system or an approval voting system for elections for county executive, member of the county council, judge of the circuit court, State's Attorney, clerk of the circuit court, register of wills, judge of the orphans' court, sheriff, and member of the board of education. The enacted local law may provide for the ballot format, procedures

for tabulating votes, and any other provision necessary to implement ranked choice voting or approval voting.

“Ranked choice voting” means a method of casting and tabulating votes in which voters rank candidates in order of preference, and votes are tabulated in a manner that reflects voter preference.

“Approval voting” means a method of casting and tabulating votes in which voters may choose any number of candidates and the candidate chosen most often is elected.

### **Current Law:**

#### *Uniform Election Process*

State election law, which generally governs all elections except municipal elections (other than in Baltimore City), requires that the electoral process for primary elections, general elections, and special elections be uniform, except where it would be inappropriate, or where exceptions are provided for in the law.

#### *Voting/Tabulation Method*

With some exceptions, in elections governed by State election law, voters are able to choose in each race a number of candidates equal to the number of offices being filled in that race (e.g., one candidate in a State Senate race and three candidates in some House of Delegates races), and the winners are nominated or elected based on which candidates receive the greatest number of votes.

### **Background:**

#### *Ranked Choice Voting*

Ranked choice voting is a system in which voters, rather than choosing a candidate or candidates for an office, rank the candidates for an office by their preference for each candidate. The manner in which the ranked choice voting results are tabulated can differ, and, in the case of this bill, the tabulation is described broadly as being conducted “in a manner that reflects voter preference.” The bill authorizes the Montgomery County Council to determine the procedures for tabulating votes.

A common method of ranked choice voting tabulation, as described by the National Conference of State Legislatures (NCSL), is (1) the ballots are counted per each voter’s number-one preference; (2) if no candidate receives 50% or more in that first round, the candidate with the fewest number of votes is eliminated, and the votes are counted again;

(3) if a voter's number-one choice was the eliminated candidate, then the vote is given to that voter's second-choice candidate; and (4) the elimination process is repeated until one candidate tops 50%.

In Maryland, the City of Takoma Park has used ranked choice voting in municipal elections since 2007. NCSL indicates that other cities that use ranked choice voting include Cambridge, Massachusetts; Minneapolis and St. Paul, Minnesota; and San Francisco, Oakland, and other Bay Area cities in California. Ranked choice voting was used in statewide elections for the first time in 2018, in Maine, where it was used for state and federal offices in the June primary election and for federal offices in the November general election.

### *Approval Voting*

NCSL indicates that approval voting – which allows voters to cast votes for as many candidates as they choose in a given race rather than just one single candidate – allows voters to answer the question “Do you approve of this person for the job?” The votes are then otherwise tallied normally and the candidate that receives the most votes wins the election. According to NCSL, as of October 2017, approval voting was not used in any major political elections, but used by the United Nations in a multi-round election to select the secretary-general, and by some political parties and other private associations.

### **State Fiscal Effect:**

#### *Fiscal 2020 Estimate*

If a ranked choice voting system is adopted in Montgomery County for the 2020 elections, general fund expenditures increase by approximately \$162,000 in fiscal 2020. The bill is not expected to materially affect State finances if an approval voting system is adopted.

#### *Costs Paid for by the State*

This estimate assumes that the State pays only for its share (50%) of costs in certain categories of costs which are traditionally shared by the State and counties, primarily voting equipment and paper ballots. Pursuant to Chapter 564 of 2001, the State shares costs of the statewide voting system with the counties, including the cost of printing ballots. Since a ranked choice voting system or an approval voting system would be limited to Montgomery County and implemented through action by the Montgomery County Council, this estimate assumes the remainder (and the majority) of the costs are paid for by the county (either directly or through billing by the State).

### *Future Year Estimates*

State costs similar to those incurred in fiscal 2020 are incurred in future years for a ranked choice voting system. General fund expenditures increase by approximately \$161,000 in fiscal 2021 and future years in which a general election occurs and by \$145,000 in fiscal 2022 and future years in which a primary election occurs.

### **Local Fiscal Effect:**

#### *Fiscal 2020 Estimate*

If a ranked choice voting system or an approval voting system is adopted in Montgomery County for the 2020 elections, Montgomery County expenditures increase by approximately \$1.7 million (for a ranked choice voting system) or approximately \$1.0 million (for an approval voting system) in fiscal 2020.

#### *Costs Paid for by Montgomery County*

As mentioned above, under State Fiscal Effect, this estimate assumes that certain costs are shared by the State and the county, but the majority of the costs are paid for by the county, either directly or through billing by the State. **Exhibit 1** provides more detail on those costs.

This estimate also assumes that the initial ranked choice voting system that is developed (if that system is chosen) is not fully integrated into the State's existing election systems. Once ranked choice voting results are tabulated through software independent from the State's voting system, those results would be made public independently from other Montgomery County and statewide election results and would not be re-introduced into the State's election systems to be aggregated and published with other results. Developing a fully integrated system would result in greater overall costs.

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**Exhibit 1**  
**Fiscal 2020 Montgomery County Expenditures**

| <b><u>Cost Category</u></b>                     | <b><u>Ranked Choice</u></b> | <b><u>Approval Voting</u></b> | <b><u>Description</u></b>  |
|---|-----------------------------|-------------------------------|--|
| Election Management System Programming          | \$800,000                   | \$800,000                     | Partial integration of ranked choice voting system or approval voting system into SBE's election management system (including project management, planning, development, and testing). |
| Tabulation Software                             | 385,000                     | 0                             | Independent software to tabulate the ranked choice voting results (including planning, development, and ongoing license fee).  |
| Subject Matter Expert(s)                        | 100,000                     | 0                             | Personnel to assist Montgomery County Board of Elections with implementation in 2020 (\$100,000 reflects half of the costs, with the other half incurred in fiscal 2021).              |
| Other Contractual Services                      | 48,000                      | 0                             | Documentation, training, absentee ballot mailing, and other services.  |
| Increased Specimen Ballot Costs                 | 16,000                      | 8,000                         | Increased length of specimen ballots for ranked choice voting and approval voting.   |
| Voter Outreach                                  | 206,000                     | 206,000                       | Direct mailing and/or other voter outreach methods.  |
| Increased Paper Ballot Costs                    | 91,000                      | 0                             | Increased length of ballots for ranked choice voting.  |
| Additional Voting Equipment and Election Judges | 77,000                      | 0                             | An additional ballot scanner and election judge at each of 76 high-volume polling places, to mitigate additional time added to the voting process by ranked choice voting.             |
| Election Staff and Training Video               | 13,000                      | 0                             | Additional local board of elections staff compensation and cost of a training video for ranked choice voting.  |
| <b>Total</b>                                    | <b>\$1.7 million</b>        | <b>\$1.0 million</b>          |  |

SBE: State Board of Elections

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### *Future Year Estimates*

Costs are incurred in future years but at a reduced overall level. For a ranked choice voting system, Montgomery County expenditures increase by approximately \$583,000 in fiscal 2021, \$457,000 in fiscal 2022, \$481,000 in fiscal 2023, and \$251,000 in fiscal 2024. For an approval voting system, Montgomery County expenditures increase by approximately \$214,000 in fiscal 2021 through 2023 and by minimal amounts in future years.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State Board of Elections; Montgomery County; Maine Department of the Secretary of State; Election Systems & Software; The Canton Group; National Conference of State Legislatures; Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2019  
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