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**State of Alaska**

**Program and Budget Narrative  
2018 HAVA Elections Security Grants**

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**State of Alaska**  
**Division of Elections**  
**2018 HAVA Elections Security Grant**

**Program Narrative:**

In Alaska, the Lt. Governor is responsible for the supervision of the Division of Elections. In 2015, shortly after taking office, he convened the Election Policy Work Group (EPWG) to evaluate Alaska's election system with the goal to maximize effectiveness, cost efficiency, and responsiveness to the needs of Alaskan voters.

In recognition of Alaska's need to replace aging statewide voting equipment, modernize and improve the integrity and security of the state's elections, and increase access for all eligible voters, Lt. Governor Byron Mallott and the Alaska Election Policy Work Group recommend that the State of Alaska utilize the \$3M HAVA grant funding to move forward with replacing Alaska's 20-year old voting system.

The new system would remain a precinct-based and paper ballot system as currently required in Alaska statute, allow state and local officials to conduct the 2020 elections with modern software and equipment, but be adaptable to any future system changes adopted by the State of Alaska.

For a new voting system to be successfully implemented by 2020, the State Division of Elections has begun the work on creating a high-level project plan and plans to conduct an organizational and cost analysis by December 2018. In early 2019, the Division of Elections will begin the procurement process by issuing a request for proposals (RFP) from federally certified vendors. After going through the RFP process, the division will either purchase or lease a new ballot tabulation system with the \$3M HAVA grant funds in March-April 2019. The system will include hardware and software to program the election database used to accumulate, tabulate, and report election results; layout and prepares the artwork needed to print ballots; programs all memory cards; and uses optical scan technology to count ballots throughout Alaska. The Division of Elections also expects to lead and participate in an extensive community outreach effort and comprehensive training plan to engage Alaskans on the issue of expanding voter choice and access to the ballot.

The last time a new system was purchased for Alaska was in 1998. While there have been updates to the database servers and software, the original optical scan units purchased in 1998 are still being used to count paper ballots in Alaska during every statewide election and also during municipal elections in several larger municipalities.

The existing system was purchased with an expectation of a 20-year life cycle. Preventative maintenance has been performed on the equipment to keep it operational and a full functionality test is conducted on each piece of equipment prior to each election. While the system is still operational and accurately counts ballots, there were a number of units that failed in the field and had to be replaced during the

2016 primary and general elections. When units fail, voters are required to place their ballot into the emergency bin on the ballot box until the unit is replaced. The ballots in the emergency bin are then scanned by the election board when the polls close. Although voting is uninterrupted, failed units cause undue stress on the election board and voters lose confidence in the system. We are nearing the intended life expectancy of the system as outlined below:

- The system components are certified only to the 2002 voting system standards.
- The GEMS servers and software utilize the Windows Server 2003 operating system, which is no longer supported by Microsoft.
- The memory cards needed to operate the optical scan units are no longer being manufactured.
- The read heads in the optical scan units are beginning to fail, and if that happens on Election Day, the unit has to be replaced. In remote precincts where replacing units is not possible, workers would be required to hand count ballots.
- The transmission of election results from polling places requires an analogue telephone line, which are becoming obsolete and being replaced with digital lines that do not support reporting needs. (In some precincts like Bethel, we actually pay for an analogue phone line for the Clerk to use during the election cycle for transmission of results).

In order to meet HAVA requirements, we'll also replace the State's direct-recording electronic (DRE) voting equipment, so blind and disabled voters can continue to vote unassisted. The touch screen voting machines that utilize the same GEMS software as our existing ballot tabulation system were last purchased in 2003 and 2005. The division purchased the touch screen voting units (TSX), with printers for voter-verifiable paper record, for \$2,224,162, using HAVA funds appropriated to the states by Congress. Since Alaska is a paper ballot state, our touch screen voting equipment supplements, but does not replace, the optical scan system.

### **Budget Narrative**

On June 13, 2018, Alaska Governor Bill Walker signed the fiscal year 2019 budget bills into law. The overall fiscal package included \$4.8 to modernize and replace the existing election voting equipment. The total amount for the Election Fund, which was established under Federal H.R. 3295, "The Help America Vote Act" is comprised of the \$3 Million in new HAVA funding, the State's required \$150,000 match, and additional carry forward unexpended Governor's Office operating appropriation balances.

Based on an initial review of voting system alternatives, a new voting system will cost between \$2.5 million and \$6 million. These estimates were derived from a discussion quote from the State's current vendor and include an estimate to replace our current precinct based system (\$6 million) as well as a By Mail Hybrid Voting System (\$2 million). Lt. Governor Byron Mallott's Election Policy Work Group is currently exploring a modern hybrid system and expects to make a recommendation in December 2018.

In May 2018, the Division of Elections hosted an election technology fair with four federally certified vendors in Anchorage, Alaska. One concept that emerged following the demonstrations includes the option to potentially purchase vendor software and lease equipment. This is an option that we are currently exploring with the Office of Management & Budget.

Effective July 1, 2018, the Division of Elections hired a Project Manager to provide the Division of Elections with business and organizational analysis and consulting in preparation for a new voting system implementation. Work will include activities such as assisting in creating a high-level project plan and providing guidance on competitive solicitations for the formal procurement process.

The Division of Elections anticipates utilizing HAVA funds to move forward with replacement of the State's 20-year old ballot tabulation system in early 2019 and to enhance Alaska's cybersecurity protocols. The State agrees to comply with HAVA requirements, per section 101(c)(1)&(2) of HAVA, that funds will be used in a manner that is consistent with the laws described in Section 906 of HAVA and that funds will not be used in a manner that is inconsistent with the requirements of Title III HAVA.

## 2018 HAVA ELECTION SECURITY GRANT

**Budget Information** CFDA # 90.404 **Non-Construction Program**

**Name of Organization:** State of Alaska - Division of Elections

**Budget Period Start:** 3/23/2018 **SECTION A - BUDGET SUMMARY** *(Consolidated Budget for total project term-- up to 5 years as defined by grantee)*

**Budget Period End:** 3/22/2021 **FEDERAL & NON-FEDERAL FUNDS (Match)**

BUDGET CATEGORIES	PROGRAM CATEGORIES							TOTALS	% Fed Total
	(a) Voting Equipment	(b) Election Auditing	(c) Voter Registration Systems	(d) Cyber Security	(e) Communications	(f) Other	(g) Other		
1. PERSONNEL (including fringe)								\$ -	0%
2. EQUIPMENT	\$ 3,000,000.00							\$ 3,000,000.00	100%
3. SUBGRANTS- to local voting jurisdictions								\$ -	0%
4. TRAINING								\$ -	0%
5. All OTHER COSTS								\$ -	0%
6. TOTAL DIRECT COSTS (1-6)	\$ 3,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000.00	
7. INDIRECT COSTS (if applied)		\$ -						\$ -	0%
8. Total Federal Budget	\$ 3,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000.00	
11. Non-Federal Match	\$ 150,000.00							\$ 150,000.00	
12. Total Program Budget	\$ 3,150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,150,000.00	
13. Percentage By Category	100%	0%	0%	0%	0%	0%	0%		

**Proposed State Match** 5.0%

A. Do you have an Indirect Cost Rate Agreement approved by the Federal government or some other non-federal entity? No

If yes, please provide the following information:

B. Period Covered by the Indirect Cost Rate Agreement (mm/dd/yyyy-mm/dd/yyyy):

C. Approving Federal agency:

D. If other than Federal agency, please specify:

E. The Indirect Cost Rate is: