



Ranked Choice Voting: Saving Money While Improving Elections

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Overview

The New York City Charter Review Commission is currently reviewing several proposals for changes to the charter. The proposal for ranked choice voting, also known as instant runoff voting, has garnered a good deal of enthusiasm around the city, but some questions have been raised about what the cost of such a system might be. The Fiscal Policy Institute examined this question, and our conclusion is that there would be a net savings, not a cost, in moving to ranked choice voting.

Under ranked choice, voters would use the same voting machines currently in use, but they would mark on a single ballot not only their first choice among candidates for an office, but also their second and third choice. Since the new system would use the same machines, the only significant investments needed for the mechanics of the election would be one-time costs of perhaps \$100,000 to \$500,000 in computer programming and other minor changes. On the other side of the ledger, we estimate a savings of roughly \$11 million in public money and \$2 million in private money in every election cycle that avoids the need for a runoff election—a recurring savings.

Moving to ranked choice voting would also require voter education and outreach to make the electorate comfortable using the system. There is good evidence that voters very easily adapt to ranked choice voting, and intuitively understand how to vote. Nonetheless, rolling out a new system would be best done with education about that system. The Fiscal Policy Institute did not estimate the cost of voter education and outreach, but a new investment would be an important part of implementing this new system.

Ranked choice voting is attractive because it allows voters to more fully express their preferences, and it provides very real incentives for candidates to engage in less negative campaigning and make a more positive appeal to a broader range of voters.

In a race with three, four, or more candidates, the dynamic changes significantly if candidates are not only vying for the first choice of voters, but also for their second or third choices. If, for example, one candidate has a strong constituency in Staten Island, for example—or among black voters, or libertarians, or service sector workers—under the current voting system the other candidates will likely cede those voters and look elsewhere to establish a different “base.” Under ranked choice voting, by contrast, all candidates would have an incentive not to divide up different “bases,” but rather to compete for the second-choice votes across the board.

Ranked choice allows voters to express their support for the candidate they find *compelling*, elect a candidate they find *acceptable*, and avoid splitting a constituency and unintentionally putting into office a candidate they *oppose*.

Because voters have expressed in the single ballot their first, second, and other choices ranked choice voting would eliminate the need for a runoff election when no candidate wins more than the required 40 percent¹ of the election in the first round of voting, as is currently the case.

A robust democracy is critical to the health of the city, so cost should not be a primary consideration in deciding on the best voting system. Fiscal Policy Institute would favor ranked choice voting in other locations where there might be an added cost, for example in localities where the voting machines to handle ranked choice voting were not already in place. However, it is notable that in New York City this improvement to democracy would be accompanied by a modest cost savings.

The 2013 Runoff Election: \$11 Million in Public Costs and \$2 Million in Private Costs

The amount of savings under a ranked choice system is somewhat unpredictable because the savings are realized only in elections that require a runoff. In some years there are no runoff elections required because all candidates for citywide office win over 40 percent of the votes on

Public and Private Costs of 2013 Runoff Election

Race for Public Advocate

	Public Spending	Private Spending
Direct Cost to Conduct Runoff Election	\$10,430,602	
Poll Workers	\$5,530,000	
Ballot Printing	\$1,827,565	
Voting Equipment Trucking	\$1,381,266	
Election Event Printing	\$625,985	
Technical Support	\$418,488	
Election Day Staff Transportation	\$411,413	
Advertising	\$95,889	
Poll Site Rental	\$90,510	
Rentals of Poll Site Furniture	\$49,486	
Campaign Expenditures	\$742,332	\$2,046,722
Private Contributions to Candidates		\$599,262
Public Matching Funds to Candidates	\$742,332	
Independent Expenditures		\$1,447,460
Total	\$11,172,934	\$2,046,722

Figure 1. FPI analysis of Board of Elections 2013 Annual Report, page 55, and "By the People: The New York City Campaign Finance Program in the 2013 Elections," published by the New York City Campaign Finance Board. *Not included: costs for police overtime or spending in other city agencies, or spending by nonprofit groups around voter education.*

¹ The 40 percent threshold in New York City applies only to the offices of mayor, comptroller, and public advocate, but the ranked-choice system could easily and appropriately be used for city council races as well.

the first ballot. The 2013 race for public advocate, however, provides a case study that shows the magnitude of costs that a ranked choice system would avoid when a runoff election would otherwise be required.

There were four candidates on the ballot in the Democratic Party primary election in 2013, with none winning over 40 percent in the initial vote: Catherine Guerriero (13.0 percent), Letitia James (36.1 percent), Reshma Saujani (14.5 percent), and Daniel Squadron (33.6 percent). In the absence of ranked choice voting, it was impossible to know the second choice for Guerriero and Saujani voters, necessitating a second runoff election between James and Squadron.

The public cost of conducting the runoff election, including the mechanics of the voting and the matching contributions to candidates, was \$11 million. The private spending associated with the runoff, including direct contributions to candidates and registered independent expenditures related to the campaign, was an additional \$2 million. (See Figure 1.) In addition to these direct election and campaign expenses, there may be other potentially substantial costs that public, private, or nonprofit agencies may incur. There are, for example, 1,224 polling sites in New York City, according to the New York State Board of Elections, and state law requires a police officer to be present at each site for the 16 hours it is open. That cost is not included here, nor is the cost of making schools and other government buildings available as polling sites on election day.²

Ironically, the minimum cost of the election for public advocate was considerably higher than the budget allocated to the public advocate's office. Indeed, the public advocate's office had a budget in 2018 that was projected to be \$3.6 million.³ In other words, the runoff election alone—separate from the primary or general election—cost more than three years' budget for the office the election was filling.

The savings under a ranked choice voting system would not necessarily be \$11 million and \$2 million annually; in some years it might be higher, in others lower. There is not currently a runoff election in every election year, so the savings cannot be said to be in each election. And, in some election years there could be more than one runoff election, which would entail additional spending for campaign expenditures, if not necessarily for the mechanics of the election itself. The cost of the 2013 runoff election, however, gives a good sense of the magnitude of potential savings.⁴

Minimal Costs of Implementation, Leaving Room to Invest in Voter Education

Any new system involves some costs. In this case, however, the costs are minimal, and are far outweighed by the savings. In New York City, a preliminary rough estimate would suggest that

² Number of sites provided by to the Fiscal Policy Institute in an email from the New York State Board of Elections.

³ <http://www1.nyc.gov/site/omb/publications/agency-budgets-projections.page?projection=101>

⁴ FPI's detailed estimate of the costs associated with the 2013 runoff election are in line with the Independent Budget Office's rough estimate that the total cost savings from instituting ranked choice voting would be about \$20 million. The IBO estimate is rounded. It includes the cost of police overtime, which our estimate does not. And it considers hypothetical future races where, as the report notes the cost depends "in part on the amount of matching funds for which candidates are eligible." See "Budget Options for New York City," April 2018, Independent Budget Office.

the costs of implementation might be in the range of perhaps \$100,000 to \$500,000 to implement the voting system. The Fiscal Policy Institute suggests that some significant part of the expected savings be dedicated to voter education and outreach.

Around the country, a number of locations have implemented ranked choice voting, and a few have published detailed reports on the costs, none have reported large costs associated with implementation.⁵

Pre-Election Cost Estimate of Maine Ranked Choice Voting

	FY17-18	FY18-19
Memory Devices		\$61,710
DS200 Additional Units		\$200,000
Electronic Records Mgt Software/hardware	\$36,900	\$5,250
Ranked Choice Voting Counting Utility	\$15,500	\$15,500
Temporary Help	\$2,640	\$2,640
Lease of High-Speed Tabulator ESS Model 850	\$18,925	\$18,925
Facility Security Hardware	\$6,000	\$0
Voter Outreach Costs	\$0	\$50,000
Private Courier to Transport Ballots and Memory Devices	\$31,000	\$31,000
Cost Estimate for Maine	\$110,965	\$385,025
Total of Costs (in Maine) for Items Potentially Relevant in New York City, Excepting Voter Outreach	\$52,400	\$20,750

Figure 2. Fiscal Policy Institute analysis of fiscal note summary by the secretary of state of Maine. Marked in yellow: costs relevant to New York City. Voter outreach is excluded from the total of costs relevant to New York City so that cost can be considered separately and potentially increased substantially.

The most recent estimate from the Maine Secretary of State’s office shows that Maine expects a cost of \$111,000 this year, with a bare bones implementation of the voting system, and \$384,000 next year, with a fuller implementation.⁶ (See Figure 2.)

Many of the costs in Maine, however, are not relevant in New York, including by far the largest cost: purchase of additional voting machines for \$200,000. In Maine many counties count votes by hand, but this is not the case in any New York City district.⁷

⁵ Below we will consider estimates from the state of Maine. The other example of detailed cost analysis we are aware of comes from the city of Telluride, Colorado. Telluride is far smaller than New York City, but it is worth noting that their experience was also that costs associated with implementing ranked choice voting were minimal: under \$5,000 to implement the system in 2011, and also under \$5,000 of direct costs related in the 2015 election. See: “Town of Telluride, Town Council Agenda Memorandum,” January 26, 2016, available at <https://drive.google.com/file/d/0B3K2g6lIQMWsZkczX1BvaUNvVGs/view>.

⁶ Revised Fiscal Note Summary for Ranked-Choice Voting Amendments, Prepared by the Office of the Secretary of State, April 2, 2018.

⁷ See the Ranked Choice Voting Resource Center web site page on “Tabulation and Results,” <https://www.rankchoicevoting.org/tallying>.

Of the costs anticipated in Maine for the mechanics of the election, only two are relevant to New York City: changes to the software and a utility to count votes. In Maine, those came to a total of \$50,000 this year and \$21,000 next year. New York City uses the same DS200 Ballot Scanner as Maine, so programming costs should be comparable, and although New York City has a larger population than Maine (8.5 million compared to 1.3 million), the programming task should not be significantly different. The Fiscal Policy Institute conservatively estimates that the cost might be between two and ten times the first-year costs in Maine.

One place New York City should spend a good deal more than is budgeted than in Maine is voter education and voter outreach. Maine budgeted \$50,000 for this purpose. In New York, with its larger and more diverse population, it would make sense to make a substantial investment in a robust strategy for voter education and out outreach, in multiple languages and with attention to all city neighborhoods. The costs savings should make that politically palatable.

The purpose of the comparison to Maine is not to give a detailed cost estimate for New York City, but to indicate the types of costs that might be involved, and their general magnitude. Even without knowing the costs in more detail, it is clear that they are far outstripped by the savings.

The principal guiding any change to the city's electoral system must be improving our democracy, not saving money. However, in this instance New York City can both save money and improve democracy, making the implementation of ranked choice voting a natural choice.

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The Fiscal Policy Institute (www.fiscalspolicy.org) is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared. FPI's Immigration Research Initiative looks at immigration issues in New York State and around the country.