APPEARANCES

Voting Modernization Board:
Mr. Stephen Kaufman, Chairman
Ms. June Lagmay
Mr. Gabriel Sandoval

S.O.S STAFF:
Mr. Robbie Anderson
Ms. Jana Lean
Ms. Katherine Montgomery
Ms. NaKesha Robinson
Mr. James Schwab
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PROCEEDINGS:

CHAIRMAN KAUFMAN: Okay. We're going to call, call the meeting to order. The meeting of the Voting Modernization Board, our first meeting in almost two years, and I'm happy to see all of you sitting in front of us from the Secretary of State's Office and pleased to see my fellow board members, June and Gabe, to my right. Thank you all for being here. Pleasure making this effort.

So, Katherine, do you want to formally call the roll.

MS. MONTGOMERY: Stephen Kaufman.
CHAIRMAN KAUFMAN: Here.
MS. MONTGOMERY: June Lagmay.
MS. LAGMAY: Present.
MS. MONTGOMERY: Gabe Sandoval.
MR. SANDOVAL: Present.
CHAIRMAN KAUFMAN: Okay. We have a quorum. We will proceed. We are missing, unfortunately, Terry Holliman, and hopefully, she will join us for the next one.

This is the portion where we call for public comment. Seeing that the only member of the public who is really here is my nine-year-old daughter.
Madeleine, do you have any comments that you wish to lodge?

MISS. KAUFMAN:  (Shakes head.)

CHAIRMAN KAUFMAN:  Just want to formally introduce Madeleine Kaufman, who is here to observe the proceedings for the record.

So let's move on to Item 4 on our agenda, which is the adoption of the action and meeting minutes from the August 24th, 2015 meeting of the commission in Los Angeles.

I wanted to note one minor correction to the minutes and that was on page four, the spelling of my name on line ten, which says "Chairman Hoffman," that, instead of "Kaufman," K-A-U-F-M-A-N.

But with that change, do we have a motion to approve the minutes?

MS. LAGMAY:  I so move.

MR. SANDOVAL:  Second.

CHAIRMAN KAUFMAN:  I have a motion and second.

All in favor of approving the minutes say, "aye."

(Voice vote.)

CHAIRMAN KAUFMAN:  We're going to go out of
order now. I see James Schwab has joined us, and I see
you have some time constraints. So we're going to go
out of order, and we're going to do Agenda Item 6 first,
and then we'll get to Item 5 after. So we have a staff
report on related issues, pending legislation that may
impact the board and voting education equipment status.

So, James, are you going --

MS. MONTGOMERY: I was just going to read
into the record real quick from -- I was just going to
read into the record AB 668. Not all of it. Just the
highlights from Mr. Chesin's analysis just so we're all
on the same page. Or would you rather just --

CHAIRMAN KAUFMAN: No. That'd be great.
Let's do that and then we can have discussion.

MS. MONTGOMERY: Okay. Okay. So this is
body -- Voting Modernization Bond Act of 2018. So --

CHAIRMAN KAUFMAN: And I'm sorry. Not to
interrupt.

MS. MONTGOMERY: Sure.

CHAIRMAN KAUFMAN: Not to disrupt what you
are about to do, in doing it, can you just put it in the
context of where we have come from and what it provides
and the -- this is going to -- I know the memo talks
about what the current law is --

MS. MONTGOMERY: Uh-huh.
CHAIRMAN KAUFMAN: What this will --

MS. MONTGOMERY: Absolutely. So I'll start
with existing law.

CHAIRMAN KAUFMAN: You don't have to read it
verbatim.

MS. MONTGOMERY: Oh, I do.

Okay. Requires the Secretary of State to adopt
regulations governing the use of the voting systems,
electronic poll books, ballot-on-demand systems, and
remote accessible vote-by-mail or VBM systems.

Prohibits a jurisdiction from using a voting
system, electronic poll book, ballot-on-demand system,
or remote accessible VBM system in an election unless it
has been previously approved by the SOS as specified.

Three, requires the SOS to adopt regulations
establishing guidelines based on best practices for
security measures for the use of VBM ballot drop boxes
as specified.

Four, establishes the Voting Modernization Bond
Act of 2002, which authorized the issuance of -- and
sale of bonds not to exceed $200 million for the purpose
of assisting counties in the purchase of updating voting
systems.

Creates the Voting Modernization Board,
consisting of three members selected by the governor and
two members selected by the SOS, and makes it responsible for administering the fund that contains the proceeds of the bond issues pursuant to the VMBA and also creates the Voting Modernization Finance Committee consisting of a controller, the director of finance, and the treasurer, for the purposes of authorizing the issuance and sale pursuant, pursuant to the State General Obligation Bond Law of the bonds.

Permits counties, pursuant to the California Voter's Choice Act, to conduct elections in which every voter is mailed a ballot, and vote centers and ballot drop-off locations are available prior to and on Election Day in lieu of operating polling place for an election subject to specified conditions.

CHAIRMAN KAUFMAN: So that's where we're at now.

MS. MONTGOMERY: That's where we're at currently. Now, this bill, AB 668, and the authors are Assembly persons Gonzalez and Fletcher, would:

Number one, enact the Voting Modernization Bond Act of 2018, which allows the sales of up to 450 million in general obligation bonds to fund improvements to voting systems contingent on the approval of voters at the June 2018 statewide direct primary election.

Number two, provides that counties may apply for
funds if it has agreed to pay expenses for any of the voting equipment listed below and counties to pay on the date the voters approve the bond. Counties that choose to conduct elections under the CVCA may receive $3 from the Fund for every $1 they pay. While counties that do not only -- while counties that do not only receive $2 for every $1 they spend. Counties may use funds for any of the following: Voting systems certified or conditionally approved by the SOS that do not use pre-scored punch card ballots, electronic poll books certified by the SOS, ballot-on-demand systems certified by the SOS, remote accessible vote-by-mail systems certified or conditionally approved by the SOS, vote-by-mail drop boxes that comply with regulations promulgated by the SOS, technology to facilitate electronic connection between polling places, vote centers, and the office of county elections official or the Secretary of State's Office, and vote-by-mail ballot sorted and processed equipment.

Three, provides the county may also use funds to contract and pay for research and development of new voting systems not certified by the SOS if it uses nonproprietary software and firmware to disclosed source code except for off-the-shelf unmodified commercial software and firmware. B, manufacture of the minimum
number of voting systems units reasonably necessary to
test and seek certification for conditional approval or
testing and demonstrating the capability of the system
or part of the system in a pilot program.

Four, requires that any voting system paid for
with bond funds must produce a paper version or
representation of the voted ballot or of all the ballots
cast on units of that system at the time the voter votes
or when the polls close if it does not require the voter
to directly mark on the ballot. The paper copy shall
not be given to the voter but is instead retained by the
election official.

Five, provides that the legislature may alter
county eligibility requirements, amounts of matching
funds, or allowable use of the bond funds by a
two-thirds vote if the change is consistent with
portions of the act.

And the last one, makes other technical and
conforming changes to existing law in order to carry out
provisions of this bill.

I could go into some further background if you'd
like, or we can move on to asking James questions.

CHAIRMAN KAUFMAN: I mean, if there's
anything you thought was going to be helpful to us --

MS. MONTGOMERY: Um --
CHAIRMAN KAUFMAN: -- by all means. But otherwise, we'll turn to James.

MS. MONTGOMERY: Yeah. As the Voting Modernization Board, you're aware of most of the background, so I think James --

CHAIRMAN KAUFMAN: I guess I did have one threshold question for either of you given that we talked about the lifespan of this, this board.

Is there any provision in the new measure that this board or some other board is going to be dealing with the allocation of funds when and if the voters pass this, or is that something that will be done by regulation or other guidelines passed by the Secretary of State?

MR. SCHWAB: So AB 668 is based off the legislation created by Prop 41.

CHAIRMAN KAUFMAN: Okay.

MR. SCHWAB: So I think the initial idea is that we would still continue this.

CHAIRMAN KAUFMAN: So it's basically adding to the pot of money, providing a new round that can be used for purposes that were set forth in the original act and additional purposes that are now set forth.

MS. LEAN: That's correct, but under AB 668, we would have to work with the governor to establish
state plan for the project so that it would incorporate what those additional resources could be spent on for the new voting technology. So it was anticipated it would be the same board even though we're down a member -- make sure we have full -- complement. But yes, that's what was anticipated by -- its an amendment to the existing law.

CHAIRMAN KAUFMAN: Okay. Just wanted to make sure this was going to take me through my retirement.

MS. MONTGOMERY: Guaranteed.

MR. SCHWAB: I will say, though, you know AB 668 is, sort of, the, I guess, last-ditch effort on our end to try to get the State to fund voting systems, and we have been working, you know, close to three years now with finance and legislature to just get in preparation without any success. So this is a route we worked with the author of the bill on to push. I, honestly, don't know if the final version that gets to the governor's desk will be a bond act or an appropriation. So that's still on the table, that discussion. And we're open to both. You know, we understand the concerns about bond debt and also the, the time the board's been in existence and we'd rather, an appropriation. It's easier, it's cheaper, and it's more direct. So I can go
into the details of the bill and more of where it's at
but I think we all understand that -- the need counties
have for more funding, the lack of any movement at the
Federal level to have HAVA two or re-up HAVA.

The, the amount we have in here, the $40 million,
if you look at it, it's, kind of, a combination of what
HAVA gave us and with what Prop 41 gave us with a, a
little more -- because GAVA was more for allowable uses,
the drop boxes, the equipment for, for vote centers and
to facilitate same-day registration and ballots on
demand. But the total amount is based on every county
maintaining their current polling place model. We
understand and we hope that more counties will adopt the
Senate Bill 450 in the California Voter's Choice Act in
2018 and beyond, which actually would bring the total
cost down.

You know, so depends on the county but, you know,
roughly, 50, 60 percent, 40 percent, depending on what
the county can't bring the cost of the capital outlay
down. I think in Orange County, which did their
estimate, it brought the cost of buying the equipment
down by about half.

MS. LAGMAY:  Half.

MR. SCHWAB:  Yeah. But the problem is --
and this is where the uncertainty lies. And going back
to Orange County, Orange County and Neil Kelly were the, the lead on crafting the California Voter's Choice Act. And, you know, his voice, his ideas helped get that thing passed. And he went to his board to get their approval to adopt the model about a month ago, and without discussion, they just buried the item. The Secretary sent a letter to the board, which was -- you know, it's out there in the public -- and just, kind of, accusing the board of -- political reasons of denying the motion, that even discussing this new model. So we had assumed that some of these bigger counties like Orange County and other counties would be adopting Senate Bill 450, which would bring the overall cost down of replacing them, but now that's, that's uncertain.

So that's, sort of, where we're at in terms of the cost and, and, and, sort of, the logic of how we got to that number, and I'll answer any questions you guys have.

CHAIRMAN KAUFMAN: Let me just ask one question, and then I'll turn to you guys just to follow up.

Under Senate Bill 450, doesn't the county, by 2020, have to adopt -- or no? It's still -- I think it's still opt-in.

MR. SCHWAB: Correct.
CHAIRMAN KAUFMAN: And the ones that are not in the initial group of the counties -- 14 counties -- that are operating under this pilot program, right, for 2018?

MR. SCHWAB: Right.

CHAIRMAN KAUFMAN: 2020, there's no mandatory kick-in? It's still all just a opt-in?

MR. SCHWAB: Correct. I would still contemplate that every county, there's a slightly different space in terms of where they want to go, new equipment, or their readiness to move with a model. But the idea was that we had created a model that the counties would want to adopt.

CHAIRMAN KAUFMAN: Uh-huh.

MR. SCHWAB: And we understand that we'll be, probably, tweaking it. You know, no legislation is perfect as much as we want it to be. We'll be tweaking it a lot in the future years to make it more flexible for the smaller counties and for even bigger counties that are interested in moving forward.

MS. LAGMAY: I have a quick question. In the writing of the Bill, AB 668, beyond essentially extending the current -- the current bond fund refunding it and -- are, are there any other provisions that were written in the bill besides the one that I see plain, in
front of me, that funds can be used for research and
development that are new, that are different or updated
from the old bill that -- I want to know which
subsection are new besides 3-A.

MR. SCHWAB: Yeah. So there's the open
source items that are in here. There's the expanded
allowable uses for what the, the funds can be used for,
and I think everything else was taken just out of the,
the legislation act -- created Prop 41.

MS. LAGMAY: Could you tell me the, the
letter and number of that section.

MR. SCHWAB: So it's -- the open source
discussion is on page three of the bill.

MS. LAGMAY: Okay. So it's not in the
summary.

CHAIRMAN KAUFMAN: Do you mean what number
on your summary?

MS. LAGMAY: Yeah, yeah.

CHAIRMAN KAUFMAN: I don't know if June has
it -- oh.

On the analysis?

MS. LAGMAY: Yes.

CHAIRMAN KAUFMAN: I think June is referring
to the memo that we received. It's a summary of the
bill compared --
MR. SCHWAB: Got it.

CHAIRMAN KAUFMAN: And I think she's referring to the number of the item on page two.

MR. SCHWAB: So --

CHAIRMAN KAUFMAN: I don't know if you want to direct it in relation to the --

MR. SCHWAB: Got it. So Item 2, which is on page two of the analysis, is different from --

MS. LAGMAY: Okay.

MR. SCHWAB: -- the original in terms of the matching.

MS. LAGMAY: Ah, okay.

MR. SCHWAB: The legislature wanted to have a different match for counties that adopted Senate Bill 450 versus those that stayed with the status quo, and then the allowable uses beneath that are expanded compared to the, the original Prop 41.

MS. LAGMAY: Okay. So 2 and 3 both.

MR. SCHWAB: Correct.

MS. LAGMAY: Thank you.

MR. SANDOVAL: And this is addressed to the issue that LA County raised last week. I wanted to make sure that was -- because it's being used as a argument, why it would not be moving forward because they're still funds that are being left on the table, and so I wanted
to make sure that's something that's being addressed in this particular bill

MR. SCHWAB: Yeah. So the, the LA County issue is the open source language.

MR. SANDOVAL: Okay.

MR. SCHWAB: Let me see. What page is it in?

MR. SANDOVAL: It's 3-A.

CHAIRMAN KAUFMAN: 3-A.

MR. SCHWAB: 3-A.

MS. LAGMAY: Any more questions?

CHAIRMAN KAUFMAN: Gabe, did you have any more questions?

MR. SANDOVAL: What, what are your thoughts on whether or not this bill is going to be moved forward? You did mention that it is your last ditch effort. Can you explain a little bit about what you mean by that.

MR. SCHWAB: So, you know, we would make the case since -- you know, we first heard about this secretary when we were still in the Senate back in 2014 when the President's -- President Obama's bipartisan commission on the election administration said that's the most dire warning they have heard from election officials across the country was the need to replace
voting systems. Since then, we have been in discussion to get the appropriations with the idea that we probably could get them, some counties, going in 2018. It's too late. The counties don't have enough time to, to get new voting systems for 2018. So now we're looking at 2020. So we, we need to get the funding moving into the counties in the next year and a half, two years in order to get it in place for 2002.

And I could simply put it on the June ballot. It gets passed. That's just -- fits right into the time frame. And so counties are desperate for new funding. You know, counties, themselves, are more of budget burden put on them by the State in different areas and so they're not flush with cash. And the State needs to pay their, their share. We benefit -- the State benefits from all the elections, and so we should be paying into it. So if we don't get funding soon, I don't know what counties are going to do to replace equipment for 2020 and beyond.

CHAIRMAN KAUFMAN: So let's talk about where this is at. So you mentioned that it could take a different shape as it winds it way through the process.

MR. SCHWAB: Yeah.

CHAIRMAN KAUFMAN: If it changes from a bond -- a bond, bond obligation to an appropriation, it
wouldn't have to go to the people or a vote, right?

MR. SCHWAB: Yeah.

CHAIRMAN KAUFMAN: It would just be signed by the governor and done.

MR. SCHWAB: Right. Exactly.

CHAIRMAN KAUFMAN: It looks like the bill already passed the assembly, but it's still pending in the Senate?

MR. SCHWAB: Yeah. It's in the Senate Appropriations Committee.

CHAIRMAN KAUFMAN: So would those changes -- those changes can be dealt with in that -- is that where this essentially takes place now, is the discussion or --

MR. SCHWAB: Correct. The legislature goes on recess Friday.

CHAIRMAN KAUFMAN: Right.

MR. SCHWAB: And they reconvene, you know, four weeks from there. So we hope during these four weeks, we can negotiate, sort of, the final version of what's most suitable for the governor. I wish -- if I had a crystal ball about what he would sign and wouldn't sign, I'd probably make a lot more money. But, you know, we just want to get in the best shape possible to see what --
CHAIRMAN KAUFMAN: Okay. And it looks to me from the summary that the only opposition to this is, kind of, on the form of the tax or obligation of the people. No one's opposed to the -- let's say -- the merits or the substance of the actual legislation, correct?

MR. SCHWAB: The opposition we have gotten is -- yeah -- just how we're going to -- bond act, which we understand those concerns. There's also testimony in committee about folks that just want to require open source technology only. Or a lighter version of that is to create a specific fund just for open source, which would cover the certification cost. The Secretary said that he doesn't believe it's our role to tip the scale on one technology over another. Just provide counties with the funding and whatever route they want to go, as long as it's tested and certified by our office. But to say -- to favor open source over another type, we're not -- we don't support that.

MS. LAGMAY: Mr. Schwab, you mentioned that all indications show that we're not going to get any federal support. There won't be a HAVA part two, as you say. So we haven't been together in a meeting since, obviously, 2015. Can you summarize very quickly and simply what the response there has been from DC on
continuing funds for this, if any.

MR. SCHWAB: Zero. The National Association of Secretary of State, which is a bipartisan group — it's actually dominated by republicans. There's only 12 democratic secretaries of state — they're all in support of new funding. I think they have been in discussion with Congress, and there's been no movement. In fact, this -- the only movement they have made in terms of the election space with Congress was in a recent appropriations bill to de-fund the Election Systems Commission.

MS. LAGMAY: That's right.

MR. SCHWAB: That is the only move -- is to actually take away resources for elections and not put it toward that and just knowing the state of what's going on, I don't have much hope for legislation.

MR. SANDOVAL: And you feel some form of this measure is going to be executed whether it's placed into the bond, on a ballot, or whether it's straight appropriation?

MR. SCHWAB: I would lean towards more confident than not just because of, of the need. I think the public is acutely aware of the need for the strength in our elections. It's on people's minds today, and we'd be making the case to the legislature,
and it's, it's, it's been working. I mean, more people are asking questions of, of us and the Secretary and what can we do to secure elections in the future and this is step one. This is across-the-board recommendation from, from think tank experts across the US. We got to replace voting systems first if we want to secure our elections.

CHAIRMAN KAUFMAN: Okay. Thank you, James.

MR. SCHWAB: Appreciate it. Thank you for taking me out of order.

MR. SANDOVAL: Our pleasure.

CHAIRMAN KAUFMAN: Okay. So do we just want to finish up the Item Number 6 with a brief summary of, kind of, the status of certification efforts or status of voting equipment in California?

MS. MONTGOMERY: Yeah. Take our last agenda item and do that one now and then go to Nevada? Is that what you mean?

CHAIRMAN KAUFMAN: Yeah. It's all under --

MS. MONTGOMERY: That makes sense.

CHAIRMAN KAUFMAN: We're talking about voting equipment and progress or lack thereof.

MS. MONTGOMERY: Okay. In 2007, Secretary of State, Debra Bowen, conducted a top-to-bottom review of many of the voting systems certified for use in
California. Following the top-to-bottom review on August 3rd, 2007, Secretary Bowen strengthened the security requirements and use conditions for certain systems. As a result of the top-to-bottom review and subsequent decertification of voting systems, no new voting systems were approved for use in California between 2008 and early 2015.

Under the direction of Secretary Padilla, the pace of approvals of both voting systems and voting equipment in the State of California is picking up.

Excuse me.

In 2015 alone, two voting systems were approved for use in California specifically since the last meeting of the Voting Modernization Board in August of 2015. One of the two voting systems mentioned previously, the ES&S unit 3.4.1.0, has been approved for use in California.

There are currently eight different applications related to E-poll books under review. Additionally, there are currently two voting systems and three remote vote-by-mail systems undergoing various phases of the testing progress in California.

The passage of SB 450, California Voter's Choice Act, last year has introduced something new into the election landscape in California. Vote centers, ballot
drop-off locations, drop boxes for ballots, and every voter will receive a ballot in the mail. As a result, the interest in voting systems and voting equipment, such as E-poll books, remote Vote-By-Mail systems, VBM drop boxes, and ballot-on-demand, or BOD, printers has increased as county election officials prepare to embrace a new model of voting in California.

Under the Voter's Choice Act and beginning in 2018, 14 counties are allowed to conduct elections under the Voters Choice Act model -- excuse me -- Calaveras, Inyo, Madera, Napa, Nevada, Orange, Sacramento, San Luis Obispo, San Mateo, Santa Clara, Shasta, Sierra, Sutter, and Tuolumne. All other counties will be allowed to conduct Voter's Choice Act elections beginning in 2020.

In addition to the changes brought on by the Voter's Choice Act, another legislative directive, Conditional Voter Registration, or CVR, has recently taken effect. CVR allows for a registrant to cast a conditional provisional ballot when the registrant delivers to the county elections office a properly executed affidavit of registration during the period 14, 14 days prior to an election through and including Election Day. As Nevada and other counties have pointed out, this greatly complicates the task of estimating how
many ballots and at what time to report.

As we discussed in relation to Nevada County -- or as we will discuss, project documentation plan, CVR make BOD printers a very attractive option. California currently has four certified BOD systems, two made by ES&S, one from Hart InterCivic, Incorporated, and one from Runbeck Election Services, Incorporated.

It is our opinion that the Voting Modernization Board can expect to see a marked increase in the number of counties submitting project documentation plans and requesting to come before the board to request reimbursement for the purchase of voting equipment.

CHAIRMAN KAUFMAN: Thank you. I had a couple follow-up questions, and then I'll turn to my fellow board members.

I mean, you make reference to a number of voting systems here and I was just wondering -- so what is the ES&S Unity 3.4.1.0? I mean, what kind of systems are we talking about and, and E-Poll books.

MS. MONTGOMERY: Okay. Well, we have NaKesha Robinson. She's with the Office of Voting Systems Technology Assessment, and she can answer these questions.

MS. ROBINSON: Good morning, Board.

CHAIRMAN KAUFMAN: Good morning.
MR. Sandoval: Good morning.

Ms. Lagmay: Good morning.

Ms. Robinson: So -- answer your first question, ES&S's Unity 3.4.1.0 system is a complete end-to-end election system, which includes systems be used inside of the polling places as well as election management system at the election's headquarter office to tabulate ballots.

Chairman Kaufman: So, so what kind of ballot is a voter casting when they're using that system instead of polling --

Ms. Robinson: Paper ballots.

Chairman Kaufman: Paper --

Ms. Robinson: Yes.

Chairman Kaufman: Optical -- is it an optical scanning system?

Ms. Robinson: Yes. Yes. Yes. They can use ballot-marking systems to actually mark the ballots. The ballots are then printed out and then placed into the -- sorry -- the ballot drop box for tabulation later on.

Chairman Kaufman: And then the E -- I keep seeing this referred to as --

Ms. Robinson: Electronic. So electronic poll books are essentially digital solutions to replace
traditional source.

CHAIRMAN KAUFMAN: Ah, so when people are signing in --

MS. ROBINSON: Yes.

CHAIRMAN KAUFMAN: -- at the polling place, there's a digital --

MS. ROBINSON: Yes.

CHAIRMAN KAUFMAN: -- function as opposed to the --

MS. ROBINSON: The paper.

CHAIRMAN KAUFMAN: -- with the -- and the address --

MS. ROBINSON: Yeah.

CHAIRMAN KAUFMAN: All right. June, Gabe, any follow-up questions?

MS. LAGMAY: Um, so this, this Voter's Choice Act to -- just to be clear, since I'm a little behind the times here, it is permissive not obligatory, correct, for any county to decide to go this method?

MS. MONTGOMERY: That's correct.

MS. LAGMAY: And Nevada, whose budget we're looking at later today, is, is permitted to go sooner, in 2018, than LA County, which is permitted in 2020.

MS. MONTGOMERY: Correct. And then Nevada is one of the 14.
MS. LAGMAY: Thank you.

CHAIRMAN KAUFMAN: How were the 14 decided? I know James said that, that Orange County was taking the lead, but was it a function of Secretary of State's Office or the responses of the legislation deciding what counties it would work for or was there a desire expressed by certain counties to participate early on?

MS. LEAN: There was a desire. So basically, there was a survey done of counties who'd be interested in the before model. As we're going through, crafting the legislation, these were the ones that were most interested in being a part of that crafting legislation and their willingness to move forward. So it is optional. It would require them to change the way that they were voting in their county and how to -- basically, they're going to have to sell it to their voters on why it's a good thing and why the Voting Choice Act is what is needed for their county. So it wasn't going to be forced upon any of the counties. It is optional. So there's no budget appropriation for them. So it's not a state mandate. One of the reasons why it's an optional adoption. And yeah, it was the counties that were willing to, and so they were willing to go forward and the first pilot counties to move forward.
MS. LAGMAY: Would you say, generally, because they're smaller, less populated counties?

MS. LEAN: Not necessarily. I think these were the counties who looked around and they saw the percentage of their voters that were voting by mail already.

MS. LAGMAY: Uh-huh

MS. LEAN: So -- and the voters from the county are used to getting the ballot in the mail. There are a small percentage of their voters actually showing up on Election Day. So these are the, the counties that have moved forward. We did ask them if there would be a certain percentage, as we're going through drafting the legislation, who would be willing to go forward. If you have, like, LA County, less than half -- way less than half of your population voting by mail, that's why they have a little carve out. So they are allowed to go in 2020, but their positions are a little bit different. And then all of the other counties are moving forward in 2018. So it did have something to do with their current percentage of permanent voters.

CHAIRMAN KAUFMAN: You know, that triggers something in my mind, and I should have asked James when he was here, but you mentioned LA County, obviously, a
different animal. Under the new legislation, the funds that are being allocated, basically reward counties who are going to a CBR system by giving them a three to one match instead of a two to one match, but is the old existing funding that's, for example, still sitting there for LA County, that's still going to be subject to the old three in one match?

MS. LEAN: Correct.

CHAIRMAN KAUFMAN: Calculation.

MS. LEAN: Correct.

CHAIRMAN KAUFMAN: Okay.

MS. LEAN: So -- and actually, under SB -- or AB 668, there are completely different funds. So the 2002 bond fund is its own fund. The 2018, if it's passed, will be its own fund. And so because of the differences in the type of the equipment that can be purchased -- so they're two separate funds.

CHAIRMAN KAUFMAN: Okay. Thank you.

Gabe, do you have any questions?

MS. LAGMAY: Oh, refresh my memory. The bond funds from the 2002 election, do they have an expiration date?

MS. LEAN: There's no expiration date but one bond -- ten years. We haven't had to sell any bonds --
MS. LAGMAY: So it's entirely conceivable that we could still be paying out of version one while we are paying out of version two?

MS. LEAN: It's very conceivable, yes.

MS. LAGMAY: Thank you.

MR. SANDOVAL: Do you recall any of the arguments that were made against the act, any policy arguments?

MS. LEAN: Well, some of the policy arguments were that, you know, voters were used to the polling places, models that we have been using for many years. I think some of the arguments against is that if everyone gets a vote-by-mail ballot, potentially, that could interfere with voters who don't currently vote by mail and don't have access -- necessarily, easy access -- to a vote center because vote centers are going to be established in different locations. There's 14 different mechanisms that have to be considered where they can place them. So as they were negotiating the bill, they had to think about not just where is convenient necessarily for the ROV, the Registrar Of Voters, but what's convenient for -- one other big argument against it was that voters with accessibility needs feel like they might have a harder time to have some barriers to voting if they were required to vote by
mail. They're not going to be required to vote by mail because the vote centers will be open for 11 days not just for the 13 hours on Election Day. However, it will be a longer path and travel for them to get there.

So NaKesha is going to talk a little bit more about the remote accessible vote-by-mail systems and will allow for voters with disabilities to cast a vote-by-mail ballot electronically on their home screen, which they'll mail it in.

MR. SANDOVAL: Thank you.

MS. LEAN: And that was what was negotiated.

MR. SANDOVAL: Thank you.

MS. ROBINSON: So as Jana just mentioned, we are also in the process of reviewing and testing remote accessible vote-by-mail systems. And as she just explained, those systems will allow, essentially, a voter to obtain a ballot electronically, mark it, print it, and submit it in a traditional vote-by-mail manner as they would with the traditional vote-by-mail ballot.

Currently, we have three systems that we are actively testing. One is from Democracy Live, another from Dim Tech, and another from Five Cedars Group. We initially had five applicants. The remaining two were from Bogum and Prime Three. And that's -- both of those requested -- they have asked that we put their
applications on hold while they continue to develop their solutions.

MR. SANDOVAL: Thank you.

CHAIRMAN KAUFMAN: Thank you.

Okay. Thank you all for bringing us up to speed. I would make one request of the staff that as AB 668 winds its way through the process, that whether we have another meeting scheduled or not, if you could make us aware of its progress --

MS. LEAN: Absolutely.

CHAIRMAN KAUFMAN: -- or outcome, that would be extremely helpful.

MS. LEAN: We will do that.

CHAIRMAN KAUFMAN: Thank you.

All right. Now, let us go back in time to Agenda Item 5, which is the project documentation plan review and funding award approval for Nevada County.

And, Katherine, if you want to provide us with the staff summary. I don't know that you need to go through every gory detail of the memo, but if you could give us some highlights, I can assume that we have all read it.

MS. MONTGOMERY: Sure. Okay. So -- and we do have Sandy Sjoberg with us today all the way from Nevada County if we have any questions.
MR. SANDOVAL: Welcome.

MS. MONTGOMERY: Okay. So in 2002, the Voting Modernization Board awarded Nevada County funds that helped the county to upgrade to the Hart Optical Scan/DRE voting system. Phrase two of Nevada County's modernization efforts began in 2007. At that time, the county purchased an optical scan precinct and central count system as well as e-slat units from Hart InterCivic, Incorporated using a combination of federal, state, and county funds.

Since 2001, the number of voters requesting vote-by-mail ballots has more than tripled. Of the county's 68,000-plus voters, 77.6 percent have requested permanent vote-by-mail status with a possible additional five percent, depending on the election, residing in an all-mail ballot precinct.

Nevada County maintains that the purchase of a ballot-on-demand system will help it keep up with the increasing number of vote-by-mail voters in its county.

Nevada County anticipates that the ES&S Balotar will continue to improve the process by which they provide daily vote-by-mail and over-the-counter ballot requests. Every election requires a different set of ballots, known as ballot types, which vary according to the combination of federal, state, and county and local
district offices that are up for election as well as any measures that have qualified for the ballot. During an election year, Nevada County can have up to 25 different ballot types.

The county must provide a sufficient number of ballots for each voter along with enough overage of each ballot type to allow for newly registered voters, provisional voters, and spoiled or replacement ballots. The number of ballots ordered must also take into account expected voter turnout for a given election.

Additionally, now that VoteCal -- the statewide voter registration -- is the system of record. In California, Conditional Voter Registration, as we have discussed, takes effect. With CVR, voters can now register up until the close of polls on Election Day, greatly complicates the task of estimating how many ballots and in what type to order.

Nevada County believes that -- Nevada County believes the ballot-on-demand printers will allow the County to reduce somewhere between 25 and 45 percent, greatly minimize ballot spoilage, and help manage the issues that have been created by Conditional Voters Registration.

Let's see. Nevada County's efforts to modernize the way they handle both the increasing number of VBM
voters and the impending same-day registration of voters while saving an estimated $6,962 in taxpayer money by using ballot-on-demand printers can certainly be seen as in line with the spirit of the Voting Modernization Bond Act of 2002.

Nevada County reports that the Balotar is easy to use even by individuals who are, quote, nontechnical. This will greatly simplify the training Nevada County provides to its poll workers or if Nevada County does expand its operation to include vote centers as provided for in SB 450 to additional county employees or temporary workers who will staff the vote systems -- sorry -- staff the vote centers.

The Balotar printer system has been approved by the Secretary of State's Office for use in California since August of 2012.

Please note that the staff proposed funding award is based upon allowable reimbursement under Proposition 41 for voting equipment hardware and software only. The ballot sheet processing fees listed in the Nevada County's contract with ES&S would not be covered as a reimbursable claim under Proposition 41.

Also, while recommending the approval of funding for the purchase of two ballot-on-demand printers, we would like to make it clear to the county -- make it
clear to the county that the cost for ink or paper for the ballot-on-demand printers is not reimbursable under Proposition 41.

Nevada County will only receive VMB payments once it has submitted detailed invoices for its voting equipment.

It is our recommendation that Nevada County's phase two project documentation plan be approved and a funding award letter be issued in the amount of $9,888.

CHAIRMAN KAUFMAN: Thank you. And let me -- let me welcome Ms. Sjoberg to this meeting. And I just want to say it's a -- as you have heard reference here, it's been two years since this commission has met, and there's nothing we like more than being able to give out money to help make voting easier for people and to make elections easier to administer for election officials.

So we're pleased to see you're here and, and happy to be considering this, this funding request. I don't know if you had anything you wanted to say off the bat or whether we would just fire away with whatever question we had.

MS. SJOBERG: You could just fire away with whatever questions you had.

CHAIRMAN KAUFMAN: I had a couple to start. First off, I wanted to understand just a little better,
all these, these new voting systems are being -- and
equipment is being thrown around by -- and I read all of
the things that the system does but I wanted to
understand just a little bit better how it actually
functions. And as I'm understanding it, if I'm a voter
and I show up at the -- at your office, at the clerk's
office, or the registrar's office and I want to register
to vote or I want to request a vote-by-mail ballot, this
is the printing system that essentially will draw my
ballot type or whatever from your central system and be
able to spit out my vote-by-mail ballot right then and
there; is that correct?

MS. SJOBERG: That is correct. So
basically, you come up to our counter. We would check
you in on our election management system. And it's
triggered from -- our election management system sends a
message right to the ballot-on-demand to send -- to
print you out the correct ballot type for your
address -- for your precinct. So there -- or you can
actually take your vote-by-mail ballot with you or you
have the option of staying in your office and voting
your ballot right then. So those are two options it
provides for, and it's made it a lot easier, a lot
faster for the voters to get checked in and checked out.

CHAIRMAN KAUFMAN: And, obviously, voting in
Nevada County is a lot different than voting in Los Angeles County, where I'm from, but the allocation here is for two printers, correct?

MS. SJOBERG: The system came with two printers. So we bought -- we went out to an RFP and -- company submitted their RFP. ES&S's ballot, our system, came with a computer system and two printers, which we -- were less expensive than other vendors were asking for. And so we thought that was a great thing because if one printer goes down, we still have an optional other printer that can pick up and continue to work without getting tech support there right at that moment.

CHAIRMAN KAUFMAN: Okay. But at this point, it's still a function of these ballots being issued out of your office. It's not like one printer is in one location --

MS. SJOBERG: Correct.

CHAIRMAN KAUFMAN: -- and the other is your office.

MS. SJOBERG: Correct. The printers sit underneath our counter we have in our office, where voters can come in and sit down, where we're sitting down and the voter's sitting down. So it's a one-to-one eye contact. Their printers are underneath our counter, and we get to stay there working with our voters the
whole time.

CHAIRMAN KAUFMAN: So as opposed to your former system of having to -- I think -- as the materials in here suggest, order from your printer however many ballots you think it's going to take to satisfy all your mail-in requests for vote-by-mail ballot, you can now not order as much, at least initially, and deal with requests as they come in by having this printer spit out either for people who request by mail or by people who walk in and actually request the ballot in their amendment.

MS. SJOBERG: Correct. So in the past system, the way we used to do it in past, we order over and above, estimating always, and always having a waste that would have to be destroyed after the election. And we'd order those from our printers or from our printers that would ship the ballots up. So then you have the shipping cost, and you have all this additional cost, employee time to go through and verify that all the ballots are accurate, and the inventory and so forth and so on. And those would get stored in its own locked room. So when a voter would come in and request a vote-by-mail ballot or vote there in our office, we would have to actually look up the voter's ballot type, go back to our locked room, look for the ballot, find
it, come back, do -- grab another employee to have them verify that the ballot type that we grabbed out of our secret room was the correct ballot type before we issued it to the voter. Taking more time away from getting people in and out and getting them on their way to voting. So that's how the system was done then. Now we don't have that extra locked room to store all these extra ballots and we don't have to destroy ballots at the end of the election because there's, there's only ballot paper that can be used for the next election.

CHAIRMAN KAUFMAN: And presumably, this also, kind of, saves, you know, those people who might wait too long to send in a vote-by-mail request then can't get the ballots back to them in time. So now it's --

MS. SJOBERG: Correct.

CHAIRMAN KAUFMAN: -- issued immediately.

Yes?

MS. SJOBERG: Correct. So we, we actually set up our office in November as a vote center model for early voting -- is how we set it up. And we actually had our, our electronic voting equipment out and we had our scanner set out. We have a voting room that people can go into and vote. So it worked really well. So people were able to come in. CVR is going to be
wonderful, because they can come in, do their registration. We can get them in the system, determine which type of ballot type they're going to vote, give them that ballot, and then check the Secretary of State -- check, check our Cal voter and make sure that it's -- they haven't issued another ballot in another location and process it.

CHAIRMAN KAUFMAN: Great.

June, do you have any questions?

MS. LAGMAY: If it was written in the report and I overlooked it, I apologize, but can you clarify for me, will Nevada County do the voting centers option model in 2018, or that's still to be seen?

MS. SJOBERGE: We're in the midst of developing our project plan. Our intent and our, our intent currently is to proceed forward and go live with the vote center model of SB 450 in 2018, June.

MS. LAGMAY: Not that you have to.

MS. SJOBERGE: Not that we have to. Our situation is different than Orange County's situation, whereas, our elected official, he's elected not appointed, so he doesn't have to have our board's approval to proceed. So we're going about it a little different. We're looking forward to it. We're pulling our community in right now and starting to develop our
plan, and then we'll do an open informational resolution to our board and our public once the plan has been developed.

MS. LAGMAY: Very good luck to you.

CHAIRMAN KAUFMAN: Gabe, any questions?

MR. SANDOVAL: Good.

CHAIRMAN KAUFMAN: Okay. Thank you, Ms. Sjoberg.

MS. SJOBERG: Thank you.

CHAIRMAN KAUFMAN: Okay. So with that, do we have a motion to approve the funding award request of Nevada County in the amount of $9,888?

MR. SANDOVAL: So move.

MS. LAGMAY: Second.

CHAIRMAN KAUFMAN: Mr. Sandoval moved.

MS. LAGMAY: June Lagmay seconds.

CHAIRMAN KAUFMAN: Seconds.

Why don't you just pull up the vote on this one.

MS. MONTGOMERY: Stephen Kaufman.

CHAIRMAN KAUFMAN: Aye.

MS. MONTGOMERY: June Lagmay.

MS. LAGMAY: Aye.

MS. MONTGOMERY: Gabriel Sandoval.

MR. SANDOVAL: Aye.

CHAIRMAN KAUFMAN: Great. Congratulations,
Nevada County.

MS. SJOBERG: Thank you.

CHAIRMAN KAUFMAN: Okay. Do we have any other business to bring before this esteemed board today?

MS. MONTGOMERY: We do not.

CHAIRMAN KAUFMAN: Again, I just want to say how happy I am to see everybody. Hopefully, we can do this more often for good reasons that we hope will come our way.

Do we have a motion to adjourn these proceedings?

MS. LAGMAY: Before we do, can I have a second. The Voting Commission that's been established in Washington DC -- I know it's peripheral to what we're doing here, but is there a way that we could get periodic updates on a, more or less, formal level on how that's coming along instead of what we get, you know, through the general news media? Is that something that staff could give us a little bit more formal structure as it -- as it impacts California?

MS. MONTGOMERY: Sure. We could do that for you.

MS. LAGMAY: Okay. Thank you very much.

CHAIRMAN KAUFMAN: Okay. Do we have a motion to adjourn? Who wants to make it?
MS. LAGMAY: I'll do it. I move to adjourn.

CHAIRMAN KAUFMAN: I'll second since Gabe's -- second.

All in favor.

MS. LAGMAY: Aye.

MR. SANDOVAL: Aye.

CHAIRMAN KAUFMAN: Okay. With that, our meeting is concluded.

(Whereupon the proceedings adjourned at 11:28 a.m.)

--o0o--
I, Brittany Flores, a Certified Shorthand Reporter of the State of California, duly authorized to administer oaths, do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth; that a record of the proceedings was made by me using machine shorthand which was thereafter transcribed under my direction; that the foregoing transcript is a true record of the testimony given.

I further certify I am neither financially interested in the action nor a relative or employee of any attorney of party to this action.

IN WITNESS WHEREOF, I have this date subscribed my name.

Dated:

______________________________

Brittany Flores CSR 13460