



Stephen Kaufman, Chair

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Voting Modernization Board

Modernizing Voting Equipment in California

September 14, 2026

TO: Voting Modernization Board

FROM: Robbie Anderson
VMB Staff Attorney

RE: Closure of the Voting Modernization Fund and the Voting
Modernization Board

Issue

The purpose of this memorandum is to provide direction to the Voting Modernization Board (VMB) for the final steps of closing the Voting Modernization Fund and dissolving the VMB.

Conclusion

The VMB must hold one final meeting to pass a motion to and execute a written request to the Voting Modernization Finance Committee stating that the purposes for which the bonds were issued and sold has been effected. This writing is to be signed by all three of the current VMB board members.

Background

At the second to last VMB meeting, August 26, 2022, VMB staff presented a report on the mechanics of closing the Voting Modernization Fund and dissolving the VMB.

At the meeting, the Board received the staff report and made and passed the following motion:

“I move that the Board ask staff to reach out to the State Treasurer’s Office and/or the Department of Finance to begin the process of winding down the VMB, as recommended by the staff report dated August 23, 2022.”

Secretary of State staff has been in contact with the State Treasurer’s Office, the Department of Finance, and the Attorney General’s office after that meeting to assist/continue with the closing of the Voting Modernization Fund.

Current Legislation

Part of the process required to close the Voting Modernization Fund is the passage of legislation that reduces the amount of allowable funding from the initial two hundred million dollars (\$200,000,000.00) to the amount that the VMB has awarded to California's 58 county elections officials since the inception of the VMB in 2002.

The State Treasurer's Office provided the following information regarding the legislative portion of the process:

"Once the legislation is enacted, we will reach out to Voting Modernization Board and ask for certification that the remaining bond act authority (unissued authority) and bond fund balance are no longer needed. The certification is required per Prop 41 bond act and served as supporting document for the Voting Modernization Finance Committee (chaired by STO) to approve the request for closing out the bond act and sweep the unspent fund back to general fund. The Finance Committee meetings are normally conducted in February and August."

The 2026 budget trailer bill contains provisions for reducing the amount of allowable debt for the Voting Modernization Fund.

This bill, Assembly Bill 184, amends Elections Code section 19254(a) to reduce the maximum allotment for the Voting Modernization Fund from two hundred million dollars (\$200,000,000) to one hundred eighty-nine million five hundred seventy thousand dollars (\$189,570,000).

Assembly Bill 184 was enrolled on September 1, 2026, and may be found here:
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB184

The current language of Elections Code section 19254(a) reads as follows:

(a) The committee may create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of not more than two hundred million dollars (\$200,000,000), exclusive of refunding bonds, in the manner provided herein for the purpose of creating a fund to assist counties in the purchase of updated voting systems.

If AB 184 is signed by Governor Newsom, Elections Code section 19254(a) will read as follows:

(a) The committee may create a debt or debts, liability or liabilities, of the state, in the aggregate amount of not more than one hundred eighty-nine million five hundred seventy thousand dollars (\$189,570,000), excluding refunding bonds, in the manner

provided herein for the purpose of creating a fund to assist counties in the purchase of updated voting systems.

Final Steps

Although the Board passed a motion for "...staff to reach out to the State Treasurer's Office and/or the Department of Finance to begin the process of winding down the VMB, as recommended by the staff report dated August 23, 2022.", we learned that additional steps are necessary because the VMB did not make and approve a motion to close the Voting Modernization Fund at that meeting. A final meeting is needed for such action.

Recently, on September 8, 2026, Secretary of State staff member received the following message from the Attorney General's office regarding the August 23, 2022, meeting:

"Although the minutes of the meetings may show the intent of the board to close the program, it doesn't explicitly show that the board voted to make the request to the Voting Modernization Finance Committee as described under Government Code section 16726. The board will need to meet and vote to make a request to the Voting Modernization Finance Committee stating that the purposes for which the bonds were issued and sold has been effected, so that the Voting Modernization Finance Committee can certify this to the State Controller to transfer the unencumbered balance of cash remaining from the proceeds of the sale of the bonds to the General Fund."

Based upon this communication, one final VMB meeting must be held to finally close the Voting Modernization Fund and dissolve the VMB.

The motion will need to be as follows:

The Board declares that the purposes for which the bonds were issued and sold under the Voting Modernization Bond Act of 2002 have been effected; and authorizes the Executive Officer to submit a request to the Voting Modernization Finance Committee so that the Committee can certify that fact to the State Controller, and thereupon, pursuant to Government Code section 16726, the unencumbered balance of cash remaining from the proceeds of the sale of the bonds in the fund shall, on order of the State Controller, be transferred therefrom to the General Fund.

The current balance of the Voter Modernization Fund is \$45,171.04, of which \$36,833.68 are from bond sales and \$8,337.36 are accrued interest earnings.