



CITY OF HAMILTON
CORPORATE SERVICES
Office of the City Clerk

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	October 6, 2021
SUBJECT/REPORT NO:	Election Expense Reserve Needs Related to Consideration of Internet Voting for the 2026 Municipal Election (FCS20081(a)) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY:	Andrea Holland City Clerk
SIGNATURE:	

RECOMMENDATION

- (a) That the annual contribution to the Election Expense Reserve (112206) be increased by \$150,000 to cover the increased costs to deliver internet voting for the 2026 and future municipal elections, and that this request be referred to the 2022 Operating Budget deliberations; and,
- (b) That the item respecting the Election Expense, be considered complete and removed from the General Issues Committee's Outstanding Business List.

EXECUTIVE SUMMARY

The provision of internet voting in municipal elections has the potential to increase the convenience and accessibility of voting for electors, would enhance flexibility, and would further modernize the voting process in the City of Hamilton. The current elections reserve does not have the funding available to provide this alternative method of voting, and as such, additional annual contributions to the elections reserve funding would be required to support this option in the 2026 and subsequent municipal elections.

HISTORICAL BACKGROUND

The 2017 Our Future Hamilton Summit focused on the topic of Shaping Democracy through Civic Engagement. Participants of this session looked at democratic engagement within the community and identified 12 barriers and 62 ideas for

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improvements. Among the barriers, participants recognized the lack of technological integration and access to voting as a barrier to demographic engagement. As a solution to this challenge, participants in the Summit recommended the use of e-voting or online voting and articulated their belief that these methods could lead to greater engagement, more information for residents, and enhanced voting experience.

At the General Issues Committee (GIC) meeting on December 9, 2020, the City Clerk brought forward FCS20081 2022 Municipal Elections: Alternative Voting Options for consideration. In this report, staff advised that while many municipalities across Ontario have implemented electronic voting for municipal elections, that this was not a viable option for Hamilton's 2022 election due largely to cost considerations. Staff were directed to return with a report outlining the cost requirements to implement internet voting in the 2026 municipal election.

INFORMATION

The use of internet voting as an alternative method of voting has become increasingly popular and prevalent especially among Ontario municipalities in recent years. While electronic voting was only employed by one dozen municipalities in 2003, in 2018, 40% of Ontario municipalities (177 of the 444) offered internet voting for the 2018 election in either advanced polls, on election day, or both. Of the 177 municipalities that offered online voting, 131 municipalities eliminated paper ballots completely. Currently, staff are of the opinion that internet voting, as the sole voting method for the City, would not be a well-balanced approach for its municipal elections. Based on recent consultations with our municipal counterparts, we expect that the number employing electronic voting will increase in the 2022 municipal election and beyond.

There are several advantages to providing internet voting as an alternative to the traditional in-person paper ballot approach. Internet voting has the potential to increase convenience, enhance accessibility, and encourage participation from voters who are less inclined to visit a physical voting location to vote. This method also may provide additional voting opportunities for those voters who are away during the voting period, such as students and vacationers. Additionally, internet voting has the potential to provide greater flexibility for the City to address challenges such as that posed by COVID-19; as internet voting is remote, large in-person gatherings can be avoided and concerns about contact and virus spread can be mitigated.

While there are advantages to implementing internet voting, there are some disadvantages and risks with this method of voting many of which were outlined in Appendix A of Report FCS20081. Many municipalities have adopted models and frameworks for online voting, however, there are currently no Canadian standards at the present time that provide overarching governance for online voting. In addition, there

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are no requirements or Regulations that speak to online voting in *Ontario's Municipal Election Act*, 1996. In the absence of a standard framework or legislative direction, the City would be required to develop tools and a robust framework to ensure that the process of online voting is secure, valid, and transparent. Internet voting can additionally be vulnerable to cyber-attack or fraud, can be subject to technological issues and disruptions, can be difficult to audit, and can be difficult to administer with inaccuracies in the voters list.

As with any method of voting that is outside of a traditional polling station the potential for others to influence the electors' vote is enhanced. Additionally, socio-economic or rural/urban divisions within the community could be furthered as this method would only be an option for those who have access to the internet. To address this potential, internet voting is commonly implemented with telephone voting as a part of a multi-channel voting platform that allows for votes to be cast using a computer, tablet, mobile phone, or by selecting options over the phone. The offering of internet and telephone voting together is often done to address concerns around the digital divide; electors who do not have access to the internet typically can access a telephone to cast their ballot. Additionally, staff is monitoring federal initiatives to increase access to high speed internet in rural areas as it will alleviate concerns about rural connectivity.

It is likely that many of the current disadvantages to internet voting will be improved before the 2026 Municipal Election. The voters list, which is currently maintained by the Municipal Property Assessment Corporation (MPAC), will be moved under the control and administration of Elections Ontario. This move is expected to improve the quality of the list and reduce inaccuracies, which will assist in the successful provision of internet voting. In addition, much research and work is underway to develop standards for internet voting in Ontario. Elections Ontario, various municipalities, and organizations such as the Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO) have been discussing standards and there is much interest in developing common guidelines. Similarly, researchers from Western and Brock University have partnered with CIO Strategy Council, a national non-profit accredited by the Standards Council of Canada, to develop voluntary standards for online voting use in municipalities. With this work underway, staff is hopeful that there will be overarching standards and guidelines in place for 2026 particularly related to security, procurement and operations.

Staff will be participating in and evaluating some of the changes forthcoming surrounding internet voting for use in municipal elections. At this time, staff are recommending that funding be provided to position the City to take advantage of this accessible method of voting, should council wish to approve internet voting as a complementary channel for voting in the 2026 municipal election.

In order for the City to implement internet voting as a complementary method of voting, additional funds would be required to be added to the election reserve on an annual basis to account for the costs of this approach. While staff would have to go through the procurement process to arrive at a firm cost, through discussions with municipal counterparts and internal support resources, staff are estimating that the cost to implement internet voting would be approximately \$600,000. This estimate includes a vendor hosted solution for internet voting, software, training, testing, as well as estimated staffing costs to support this solution primarily from Information Technology.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The cost to implement internet voting for the 2026 municipal election is estimated to be approximately \$600,000, though the final costs will be determined through a procurement process.

This budget request reflects the cost of securing software to enable and test electronic voting and additionally includes cost of resources to support and administer this alternative voting method from the Elections and Information Technology teams. Costs have been estimated based on information received from other Municipalities of a similar size to deliver this voting program and through consultation with the City's IT department to determine the support requirements necessary to implement this option.

To support electronic voting for 2026 and future elections beyond the 2026 municipal election, annual contributions to the Election Expense Reserve would have to be increased by \$150,000.

Staffing: Any staffing required to manage internet voting in an election year would be managed using existing resources.

Legal: n/a

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Under the *Municipal Elections Act, 1996*, (the MEA) as amended, and its regulations, the City Clerk is responsible for ensuring that elections are planned and delivered in a manner that reflects the principles of the MEA. While not established as part of the MEA, these principles are generally recognized as:

- the secrecy and confidentiality of the voting process is paramount;
- the election shall be fair and non-biased;
- the election shall be accessible to the voters;

- the integrity of the voting process shall be maintained throughout the election;
- there is to be certainty that the results of the election reflect the votes cast;
- voters and candidates shall be treated fairly and consistently; and
- the proper majority vote governs by ensuring that valid votes are counted, and invalid votes are rejected so far as reasonably possible.

In addition to ensuring the principles of the MEA are achieved, the City Clerk strives to deliver progressive and innovative elections that improve processes, enhance convenience, and encourage greater participation and engagement. Staff continuously monitor legislation updates, municipal trends and best practices to ensure alignment and identify opportunities for continuous improvement.

Section 42 (1) of the MEA allows for municipalities to enact by-laws to support the use of alternative voting methods:

42 (1) The council of a local municipality may pass by-laws,

- a) authorizing the use of voting and vote-counting equipment such as voting machines, voting recorders or optical scanning vote tabulators;
- b) authorizing electors to use an alternative voting method, such as voting by mail or telephone, that does not require electors to attend at a voting place in order to vote.

This report outlines the financial costs to implement internet voting and any decision surrounding the provision of internet voting for the 2026 municipal election would occur prior to May 1, 2026. Staff would return to Council with a report and updated by-law to include internet voting pending any legislative changes in advance of this date for the 2026 municipal election.

RELEVANT CONSULTATION

Internal consultation

Consultation for this report was received from:

- Information Technology
- Legal Services

Municipal Benchmarking

Surrounding and comparative municipalities have been consulted on internet voting approaches.

Community Consultation

Staff consulted with Council Advisory Committees on the 2022 Municipal Election, and while not the focus of the consultation, electronic voting was frequently raised as a topic of discussion.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

While internet voting was not a viable option for the 2022 Municipal Election due largely to cost considerations, the successful implementation of internet voting by 2026 can be achieved with appropriate funding to the election reserve throughout the next four years. There will be adequate time to plan, prepare for, and implement internet voting for the 2026 election, and additionally with the strong possibility of overarching standards being developed, there will likely be enhanced consistency and security in the process.

ALTERNATIVES FOR CONSIDERATION

Without an annual contribution beginning in 2022 to the Election Reserve to account for the potential of providing internet voting in 2026, funding would not be immediately available to implement this method using existing funding levels. Staff will return prior to the 2026 municipal election, within timelines of the *Municipal Elections Act*, 1996, to present voting methods for the 2026 election and any costs associated with recommended methods.

If internet voting was not selected for 2026, the City would continue to offer in-person paper ballot voting with the opportunity to cast a ballot in advance polls, through proxy-voting, or at a poll location on election day. Assistive voting technology would continue to be used to provide greater accessibility for persons with disabilities. In addition, the City would continue to offer a special vote-by-mail for electors who do not wish to attend a poll location in person.

Should Council approve this increase during the 2022 budget deliberation and chose to not move forward in 2026 with internet voting, staff recommend the additional funding be removed from the reserve fund and repurposed.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement & Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED