Reasons Prop 1A Lost

Summary Findings of California Voter Survey

Conducted May 16th – May 20th, 2009

1008 California voters – 603 that voted in the May 19th special election and 405 who did not

Margin of Error: 3.1%
Voters simply do not trust the leadership in Sacramento, and recognize that the failed special election was just another example of the inability to bring real solutions to voters.

Four out of five voters agreed that the special election was just another example of the failure of the Governor and Legislature, who should make the hard decisions necessary to really fix the budget.

Which of the following statements best describes your opinion about the special election?

- The special election was a sincere effort by the Governor and legislators from both parties to gain approval of compromise proposals to fix our state’s budget mess: 20%
- The special election is another example of the failure of the Gov and Leg to do the job they were elected to do. They need to stop going to the voters with political gimmicks and temporary fixes and instead make the hard decisions to really fix the budget: 74%
- Don't Know: 6%
Voters are frustrated and dismayed at the leadership void in California, and clearly want legislators to do their job.

In contrast to the low ratings that voters give to their leaders in Sacramento, they give much higher ratings to their leaders in Washington DC.

Contrary to what the Governor is saying after the defeat of his proposals, the defeat of Prop 1A was not a message from voters to “go all out” in cutting government spending.
Facing similar tough problems and a myriad of issues, voters approve of the approach by the Obama administration and the US Congress, but express strong disapproval of the Governor and California Legislature.

The failure of leadership begins at the top, and the difference between President Obama and Gov. Schwarzenegger could not be more striking.

The failure to effectively and sincerely address the problems facing California has resulted in nearly three-fourths of California voters disapproving of the job the state legislature is doing.
Further evidence of this intense voter frustration is demonstrated by the negative qualities voters think apply to the California State Legislature and the positive qualities that do not.

Which qualities do you think apply to the California State Legislature?

<table>
<thead>
<tr>
<th>Negative Qualities That Apply</th>
<th>% Apply</th>
<th>% Does Not Apply</th>
</tr>
</thead>
<tbody>
<tr>
<td>They always take the politically easy way out of problems</td>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>They are captive of special interests</td>
<td>70%</td>
<td></td>
</tr>
<tr>
<td>They cannot make hard decisions</td>
<td>70%</td>
<td></td>
</tr>
<tr>
<td>They fight too much</td>
<td>65%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Positive Qualities That Do Not Apply</th>
<th>% Apply</th>
</tr>
</thead>
<tbody>
<tr>
<td>They are in touch with average voters</td>
<td>71%</td>
</tr>
<tr>
<td>They provide new solutions for current problems</td>
<td>64%</td>
</tr>
<tr>
<td>They are open and transparent</td>
<td>64%</td>
</tr>
<tr>
<td>They are accountable</td>
<td>58%</td>
</tr>
<tr>
<td>They make the necessary compromises to get things done</td>
<td>53%</td>
</tr>
</tbody>
</table>
Voters want the Governor and legislature to stand up for solutions based on shared responsibility, instead of targeting average Californians.

Voters feel strongly that special interests should be asked to do their part to solve the state’s budget problems, and back it up by supporting a variety of proposals that would do just that.

Which of the following best describes your opinion about the special election?

- It was an example of the Governor and the legislature balancing the budget on the backs of average Californians instead of asking their special interest contributors to do their share to help out: 69%
- The Governor and legislature are asking all Californians to share the pain equally as the state deals with this budget crisis: 19%
- Don't know: 12%
Voters are not against all tax increases and instead are looking for a balanced approach that shares the burden and moves the state forward.

The lesson coming away from this election is that Californians want real solutions that protect the services the state provides, and that Californians are willing to explore revenue options to pay for the services they want.

Which one of the following approaches would you like the leaders of state government to take in dealing with the state budget’s shortfall?

- State government should rely entirely on spending cuts with no tax increases: 29%
- Shared responsibility, with some tax increases: 65%
- Don't know: 6%

Even among ‘No’ voters, fewer than half (46%) say the government should rely entirely on spending cuts.
In November 2010, the electorate will be more supportive of the revenue options tested in the survey, and more strongly opposed to only using cuts to balance the state budget.

Voters in this election were more likely to be Republicans and less likely to be Independents, whereas the Democratic voters came out in proportions consistent with past turnout.

The share of Republican voters will fall back into proportion in upcoming elections.

36% of voters in this election supported using budget cuts exclusively to balance the budget.

Only 24% of voters that did not vote in this election, but did vote in the past, support using budget cuts exclusively to balance the budget.
Voters show support for a number of new tax options, showing both that this election was not a rejection of any new taxes, and the disconnect between actual voter attitudes and the Governor’s interpretation of the voters.

Support for Specific Revenue Options

- Increasing taxes on alcoholic beverages: 75% support among voters, 62% support among ‘No’ voters.
- Increasing taxes on tobacco: 74% support among voters, 62% support among ‘No’ voters.
- Imposing an oil extraction tax on oil companies just like every other oil producing state: 73% support among voters, 60% support among ‘No’ voters.
- Closing the loophole that allows corporations to avoid reassessment of the value of new property that they purchase: 63% support among voters, 58% support among ‘No’ voters.
- Increasing the top bracket of state income tax to 11% for families of over $544K: 63% support among voters, 51% support among ‘No’ voters.
- Prohibiting corporations from using tax credits to offset more than fifty percent of the taxes they owe: 59% support among voters, 55% support among ‘No’ voters.
Further confirmation comes when we ask voters about specific spending cuts, which all voters and Prop 1a opponents agree are misguided.

Opposition Against Specific Spending Cuts

- Oppose cutting public schools spending by $5.3 billion: 76% opposed among “No” voters.
- Oppose cutting funding for state colleges and universities by $1.2 billion: 73% opposed among “No” voters.
- Oppose cutting the state's funding for health care services by $1.1 billion: 68% opposed among “No” voters.
- Oppose cutting the state's funding for homecare services by $494 million: 62% opposed among “No” voters.