



## David Binder Research

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To: Interested Parties  
From: David Binder Research  
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Re: Reasons Prop 1A Failed

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A survey conducted by David Binder Research demonstrates that Proposition 1A failed because voters want real solutions and an end to the political gimmicks, not because the measure extended tax increases.<sup>1</sup> Voters are frustrated and dismayed at the leadership void in California, and clearly want legislators to do their job.

Compared to Washington, voters are expressing much lower approval of the leaders in Sacramento. These low approval marks will only be driven further downward if they insist on dramatically cutting state spending when a majority (57%) of Californian voters says it is more important to prevent deep cuts to education and health care than it is to prevent all tax increases.

Contrary to what the Governor is saying after the defeat of his proposals, Prop 1A did not fail because voters delivered a message to “go all out” in cutting government spending. The all-time record low turnout for a statewide special election clearly demonstrates the lack of depth to that argument. Prop 1A did not generate a spike in turnout and taxes were not cited as the main reason why voters overwhelmingly rejected Prop 1A. Support for a state budget that relies solely on spending cuts is very limited – even among those voting no on Prop 1a.

Voters in this election were more likely to be Republicans and less likely to be Independents, whereas Democratic voters came out in proportions consistent with past turnout. Of those that voted in this election, 43% were Democrats, 42% were Republicans and 15% were Independents or minor party voters. This past November, the electorate consisted of 46% Democrats, 32% Republicans and 22% Independents or minor party voters.

In November 2010, the electorate will be a group that is more supportive of the revenue options tested in the survey, and more strongly opposed to only using cuts to balance the state budget. While only 36% of voters that turned out for the May 19<sup>th</sup> election supported using entirely budget cuts to balance the budget, even fewer – only 24% -- of non-voters felt the same way.

And two-thirds of the voters who voted yes on 1a stated they did so because they wanted to do something to protect schools and public safety, and to avoid painful budget cuts in the future.

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<sup>1</sup> (David Binder Research surveyed a total of 1,008 voters – 603 who voted in the special election and 405 who did not – between May 16<sup>th</sup> and May 20<sup>th</sup>).

## Failure of Leadership

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. When given two choices, four out of five voters – even among those who voted ‘Yes’ on 1A – 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. Only 20% agreed the special election was a sincere effort to fix the state’s budget mess.

Which of the following statements best describes your opinion about the special election?	% Agree
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 Governor and Legislature’s failure 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 to fix the budget.	74
Don’t Know	6

The same voters who approve of the approach by President Obama (65%) and give weaker support to the US Congress (39%) also express very low approval of the job being done by the Governor (31%) and the Legislature (15%). The failure of leadership begins at the top, and the difference between President Obama and Governor Schwarzenegger could not be more striking. The President’s job approval rating is more than double that of the Governor.

The failure to effectively and sincerely address the problems facing California has resulted in almost three-fourths of California voters disapproving of the job the state legislature is doing. In contrast, 39% approve and 50% disapprove the job being done by the United States Congress.

Further evidence of this intense voter frustration is demonstrated by the qualities voters believe apply to the California State Legislature.

- 71% say they always take the politically easy way out of problems
- 70% of voters say the legislature is captive of special interests,
- 70% say they cannot make hard decisions
- 65% agree that the legislature fights too much.

On the other hand, the qualities voters are looking for out of their state leaders do not apply to the legislature.

- 71% say the legislature is not in touch with average voters,
- 64% say they do not provide new solutions for current problems,
- 64% say they are not open and transparent,
- 58% say they are not accountable,
- 53% say they do not make the necessary compromises to get things done.

## Going Forward

### **Voters Support Balanced Approach**

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. Over two-thirds of voters felt the special election 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. Only 19% agreed that all Californians are being asked to share the pain equally as the state deals with this budget crisis.

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. Voters are not against all tax increases, they did not oppose this measure because of taxes, and instead are looking for a balanced approach that shares the burden and moves the state forward.

Further, only 29% of voters say the state government should rely on entirely on spending cuts, with no tax increases. All other voters believe in some level of shared responsibility, balancing both spending cuts and tax increases to address the state budget shortfall. Importantly, even among 'No' voters, less than half (46%) say the government should rely entirely on spending cuts with no tax increases.

### **Broad Support for New Revenue Streams**

This feeling that Californians should be asked to do more is evidence by the support for a variety of new revenue options. Revenue options supported by a strong majority of voters, and a majority of 'No' voters include:

- 75% support increasing taxes on alcoholic beverages (62% support among 'No' voters)
- 74% support increasing taxes on tobacco (62% support among 'No' voters)
- 73% support imposing an oil extraction tax on oil companies just like every other oil producing state (60% support among 'No' voters)
- 63% support closing the loophole that allows corporations to avoid reassessment of the value of new property they purchase (58% support among 'No' voters)
- 63% support increasing the top bracket of the state income tax from nine point three percent to 10 percent for families with taxable income over \$272,000 a year and to eleven percent for families with taxable incomes over \$544,000 a year (51% support among 'No' voters)
- 59% support prohibiting corporations from using tax credits to offset more than fifty percent of the taxes they owe (55% support among 'No' voters)

While voters support revenue increasing measures, they are strongly opposed to specific spending cuts, with majorities of 'No' voters also expressing opposition.

- 76% oppose cutting public school spending by \$5.3 billion (58% oppose among 'No' voters)
- 73% oppose cutting funding for state colleges and universities by \$1.2 billion (58% oppose among 'No' voters)
- 68% oppose cutting the state's funding for health care services by \$1.1 billion (55% oppose among 'No' voters)
- 62% oppose cutting the state's funding for homecare services by \$494 million (54% oppose among 'No' voters)

## David Binder Biography

With 25 years of experience in qualitative and quantitative research, David is an expert in methodology, statistical analysis, and strategic consulting. David is also a nationally recognized, professionally trained focus group moderator, having conducted approximately 1000 focus groups.

David's clients include a broad range of political, government, labor, health care and non-profit organizations, as well as business and marketing firms. David probes the attitudes of the public, voters, employees, consumers, union members, professionals, and leaders. He often serves as an independent monitor of election trends and returns for election officials and media organizations.

A frequent contributor to the media, David has appeared as a public opinion and political analyst for the "CBS Evening News," "The News Hour with Jim Lehrer" and "California This Week."

David has served as political analyst for San Francisco's KPIX TV and is also a frequent commentator and political analyst for San Francisco's ABC, NBC, and FOX TV stations. David has appeared on National Public Radio and provides commentary on KCBS Newsradio and KQED radio's "Forum". He is frequently quoted in major California newspapers, as well as the *New York Times*, the *Chicago Tribune*, the *Boston Globe*, and the *USA Today*.

David has been an invited speaker at national meetings of the Qualitative Research Consultants Association (QRCA) and the American Association of Public Opinion Research (AAPOR). David has been awarded numerous public service and industry distinctions, most recently receiving the Excellence in Community Service Award from the San Francisco American Marketing Association (SfAMA), in recognition of his public service contributions in the Bay Area.

David has a B.S. degree from Syracuse University and a M.B.A. from Cornell University. He is a member of the American Association of Political Consultants.