

***Fairbank,
Maslin,
Maulin &
Associates***

*Opinion Research &
Public Policy Analysis*

TO: Interested Parties

FROM: David Metz
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RE: ***Opinion Research for California Forward***

DATE: August 6, 2009

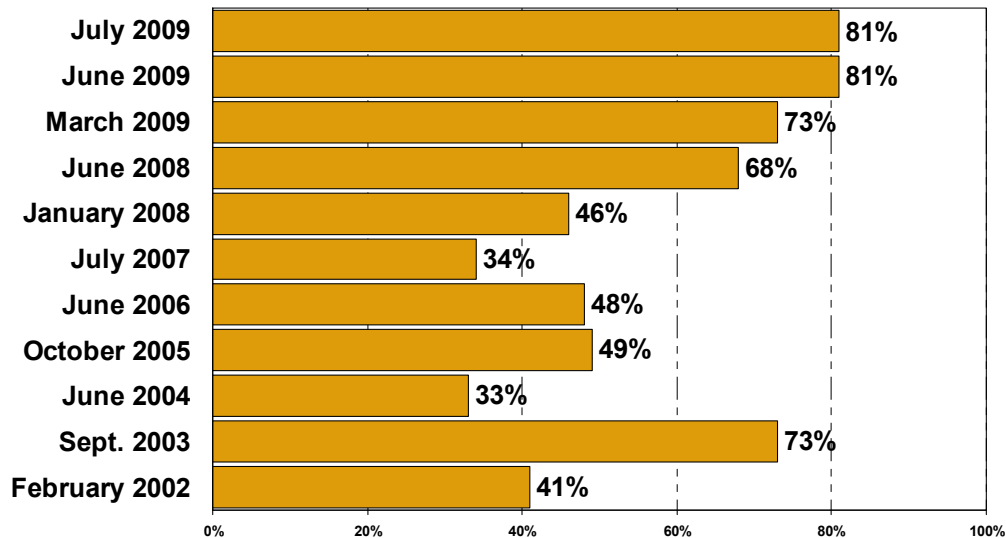
Fairbank, Maslin, Maulin & Associates (FMM&A) recently completed a pair of statewide surveys on behalf of ***California Forward*** to assess voter attitudes on key budget and fiscal issues facing the state, and to measure public support for a variety of fiscal and governance reforms. Key findings of the research include the following:

- ✓ Every measure of public opinion over the course of the past year has shown sharp and growing dissatisfaction with the performance of state government:
 - More than four in five voters say that the state is on the “wrong track” – an historic high that tops even voter discontent at the time of the recall election in 2003 (see **Figure 1** on the following page).

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FIGURE 1:
Proportion of California Voters Believing That the State is
“On the Wrong Track,” 2003 through 2009



- Voters disapprove of the performance of state government, and their negative sentiments cross party lines. Sixty-five percent disapprove of the performance of “Republicans in the State Legislature” and 60 percent disapprove of the performance of “Democrats in the State Legislature.” Those sentiments are intense – with nearly half of voters *strongly* disapproving of the performance of legislators in each party.
 - Negative attitudes toward state government are even souring voter attitudes toward their own individual legislators, which is very unusual. Disapproval of voters own state senator’s performance has risen from 27 percent in December 2008 to 46 percent today (July 2009).
- ✓ **Voters perceive the state budget crisis to be driven by special interest influence, partisan bickering, overspending and corporate tax loopholes.** As shown in **Figure 2** on the following page, May survey respondents were asked to evaluate a number of issues as a “major cause,” “minor cause,” or “not a cause” of the state’s inability to balance its budget. Voters primarily see failure by elected officials to crack down on obstacles that should be entirely within their power to eliminate – like the influence of special interests or partisan bickering. At the same time, voters recognize that the causes of the state’s budget crisis are multi-faceted; majorities label each and every item on the list as at least a “minor cause” of the state’s budget problems.

FIGURE 2:
Perceived Causes of the State’s Budget Problems
(May Survey - Split Sampled)

Item	Major Cause	Minor Cause	Not a Cause	DK/ NA
State government consistently over-spends	83%	12%	3%	3%
The political parties fight each other rather than figure out how to fund vital services	72%	22%	3%	2%
Special interests have too much influence on budget decisions	70%	21%	4%	6%
Big corporations have obtained too many tax loopholes that are too costly	62%	18%	17%	4%
State legislators lack the experience and knowledge to manage the budget properly	57%	24%	15%	4%
Too many ballot initiatives require specific portions of the budget to be spent on designated programs	51%	29%	15%	5%
The requirement that two-thirds of state legislators vote to pass a budget allows a small minority to block reasonable budget compromises	44%	29%	18%	9%
State government does not raise enough tax revenue to fund vital services	33%	29%	35%	3%
The state is too large and diverse for many budget decisions to be made at the state level	31%	24%	42%	3%

- ✓ **In this environment, voters back reforms that seem likely to impose discipline, responsibility, and foresight on the state’s elected officials.** As illustrated in **Figure 3**, solid majorities of California voters back ideas like results-based budgeting; pay-as-you-go requirements for state programs; multi-year fiscal plans; and requiring legislators to spend part of each year in their district.

FIGURE 3:
Support for Key Policy Proposals
(July Survey)

Policy	Support
Require that state programs identify a funding source for any new spending they require	88%
Require legislators to spend part of every year in their district, consulting with constituents and local leaders	88%
Require the Legislature to measure the effectiveness and results of programs when making budget decisions, and periodically consider eliminating ineffective ones	82%
Require the Legislature to craft two-year budgets every year, as well as multi-year revenue and spending forecasts	75%
Prohibit the state from using unexpected increases in revenue to fund ongoing programs	58%
Shift responsibility and funding for programs delivered locally, like education and health care, from state to local government	58%

Policy	Support
Lower the legislative vote required to pass the state budget from two-thirds to 50 percent plus one, while retaining the current two-thirds vote requirement to increase taxes	49%
Lower the votes required to pass local tax measures dedicated to specific purposes from two-thirds of local voters to 50 plus one and add greater accountability requirements	46%
Lower the votes required to pass local tax measures dedicated to specific purposes from two-thirds of local voters to 50 plus one	37%

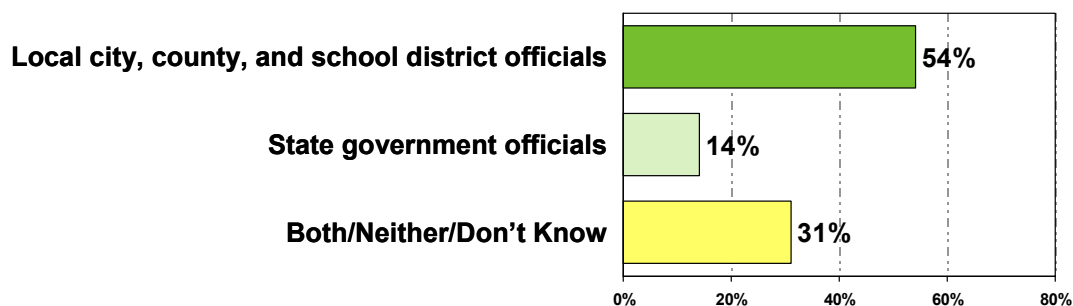
As highlighted in **Figure 4**, several reforms receive majority support from Democrats, Republicans, and independents. And the difference in support by party on most issues is less than ten points for each item tested – a remarkable degree of bipartisan support in an era when partisan polarization is widespread.

FIGURE 4:
Support for Key Policy Proposals, by Political Party
(July Survey)

Policy	Democrats	Republicans	Independents
Require that state programs identify a funding source for any new spending they require	85%	92%	82%
Require legislators to spend part of every year in their district, consulting with constituents and local leaders	88%	87%	91%
Require the Legislature to measure the effectiveness and results of programs when making budget decisions, and periodically consider eliminating ineffective ones	82%	83%	81%
Require the Legislature to craft two-year budgets every year, as well as multi-year revenue and spending forecasts	74%	76%	73%
Prohibit the state from using unexpected increases in revenue to fund ongoing programs	54%	62%	61%
Shift responsibility and funding for programs delivered locally, like education and health care, from state to local government	54%	61%	62%
Lower the legislative vote required to pass the state budget from two-thirds to 50 percent plus one, while retaining the current two-thirds vote requirement to increase taxes	53%	41%	50%
Lower the votes required to pass local tax measures dedicated to specific purposes from two-thirds of local voters to 50 plus one and add greater accountability requirements	51%	36%	50%
Lower the votes required to pass local tax measures dedicated to specific purposes from two-thirds of local voters to 50 plus one	46%	21%	41%

- ✓ **Voters also strongly support the idea of devolving power from the state to local governments.** In stark contrast to their attitudes about state government, a sizable plurality of California voters still approve of the performance of their city, county, and school district elected officials, and by a wide margin (as shown in **Figure 5**) they trust local officials over state officials to handle the management and finance of public services.

FIGURE 5:
Most Trusted Level of Government on Decisions About
Funding and Management of Public Services
(May Survey)



Overall, the survey results reveal a California electorate ready to embrace significant change in the structure and operations of state government. Feelings about the direction of the state are negative, confidence in state elected officials is low, and support for a wide range of potential reforms – particularly those that will increase accountability in state government and empower local governments – is high.

Methodology: Research results in this memo are drawn from two statewide surveys of California voters likely to cast ballots in the November 2010 gubernatorial election. The first included a sample of 607 voters, and was conducted on May 20 and 21; the second included a sample of 803 voters, and was conducted between July 19 and 22. The results have a margin of sampling error of +/- 4.0% for the May poll, and +/- 3.5 % for the July poll. The margins of sampling error for subgroups within each sample will be higher. Some figures may not add to 100% because of rounding.