

PPIC STATEWIDE SURVEY

MAY 2011

Californians & their government



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in collaboration with
The James Irvine Foundation

ABOUT THE SURVEY

The PPIC Statewide Survey series provides policymakers, the media, and the public with objective, advocacy-free information on the perceptions, opinions, and public policy preferences of California residents. Inaugurated in April 1998, this is the 117th PPIC Statewide Survey in a series that has generated a database of responses from more than 248,000 Californians.

This survey is the 47th in the *Californians and Their Government* series, which is conducted periodically to examine the social, economic, and political trends that influence public policy preferences and ballot choices. The series is supported with funding from The James Irvine Foundation. This survey seeks to inform decisionmakers, raise public awareness, and stimulate policy discussions and debate about important state issues, with a particular focus on the California state budget.

This survey was conducted in the week after the governor released his May budget revision and less than a month before the June 15 constitutional deadline for budget passage. In January, the state deficit was \$26 billion; since then, the governor and legislature have reduced the gap by about \$11 billion, mostly through spending cuts. Now, the governor proposes to close the remaining deficit with higher-than-expected tax revenues, and through temporary tax increases and more spending cuts. The May revised budget, with its new revenue, includes increased funding for K–12 public education and community colleges, and puts about \$1 billion in reserve. The governor would seek legislative approval for a five-year extension of temporary increases in the sales tax and vehicle license fee, and a four-year increase in state personal income taxes beginning in 2012. He would then seek voter approval for these changes in a special election. If voters say no, lawmakers would have to consider more cuts to services.

This survey presents the responses of 2,005 adult residents throughout the state, interviewed in English or Spanish and contacted by landline or cell phone. It includes findings on these topics:

- State issues, including the overall mood and perception of the current and future economic climate as well as concerns about job loss; approval of Governor Brown and the state legislature; trust in state and local government and perceptions of the state/local relationship; preferences for fiscal reforms at the state and local level; and attitudes toward the citizens' initiative process and possible initiative reforms.
- The state budget, including the seriousness of the budget deficit and how it should be resolved, whose budget approach is best, and whether voters should play a role in budget decisions this year; preferences for tax increases and spending cuts related to the four largest areas of state spending; preferences for specific revenue-raising mechanisms; attitudes toward the governor's revised budget proposal, including concerns about spending cuts, attitudes toward a special election, and support for the proposed temporary tax and fee package.
- Time trends and the extent to which Californians may differ in their perceptions, attitudes, and preferences regarding state issues and the budget based on their political party affiliation, likely voting in elections, region of residence, race/ethnicity, and other demographics.

This report may be downloaded free of charge from our website (www.ppic.org). For questions about the survey, please contact survey@ppic.org. Try our PPIC Statewide Survey interactive tools online at <http://www.ppic.org/main/survAdvancedSearch.asp>.

NEWS RELEASE

EMBARGOED: Do not publish or broadcast until 9:00 p.m. PDT on Wednesday, June 1, 2011.

Para ver este comunicado de prensa en español, por favor visite nuestra página de internet:
<http://www.ppic.org/main/pressreleaseindex.asp>

PPIC STATEWIDE SURVEY: CALIFORNIANS AND THEIR GOVERNMENT

Californians Say Voters Should Have Voice in Budget Choices

MOST BACK SPECIAL ELECTION ON BROWN'S PLAN, BUT MANY BALK AT SPECIFIC TAX HIKES

SAN FRANCISCO, June 1, 2011—The vast majority of Californians think voters should have a say in budget decisions this year, according to a statewide survey released today by the Public Policy Institute of California (PPIC), with support from The James Irvine Foundation. In this survey—taken just after Governor Jerry Brown released his revised budget proposal in May—77 percent of adults (76% likely voters) say voters should make some of the decisions about taxing and spending, while just 20 percent of adults (21% likely voters) say the governor and legislature should make all of these decisions.

On the specific question of whether there should be a special election on Brown's proposed tax and fee package to prevent further budget cuts, 68 percent of adults and 62 percent of likely voters say a special election is a good idea. Support for this idea—which dropped between January and March—has increased among all adults (67% January, 54% March, 58% April) and likely voters (66% January, 51% March, 56% April).

Majorities of adults (64%) and likely voters (62%) favor the governor's revised budget proposal, which includes an \$11 billion reduction in the budget deficit already approved and would close the remaining gap through temporary tax increases, tax revenues that have been higher than expected, and more spending cuts. Brown's plan also includes increased funding for K–12 public schools and community colleges, and places about \$1 billion in reserve.

But while most Californians generally approve of Brown's plan when read this summary, they oppose the specifics of his tax and fee package. Fewer than half of adults (41%) or likely voters (46%) support his proposal to extend temporary increases in state sales tax and vehicle license fees for five years and to reinstate a temporary income tax increase in 2012 for four years. Republicans (58%) and independents (53%) are more opposed than Democrats (49% favor, 42% oppose). Among those who favor a special election, opinion is divided on Brown's tax and fee package among adults (47% favor, 45% oppose).

"Californians have favorable views of the governor's revised budget plan and his special election idea," says Mark Baldassare, PPIC president and CEO. "Yet the fact that fewer than half support his tax and fee package raises questions about the outcome if the voters have their say."

BROWN'S APPROVAL RATING AT 42 PERCENT

There is no consensus on how Californians would like to deal with the state's multibillion-dollar budget gap: 40 percent prefer a mix of spending cuts and tax increases, while 36 percent favor mostly spending cuts. Just 9 percent prefer mostly tax increases and 8 percent say it's OK to borrow and run a deficit. When it comes to the tough choices involved in state budgeting, half of Californians prefer the approach

of Brown (23%) or of the Democrats in the legislature (27%), and 24 percent prefer the approach of the legislature's Republicans.

Asked how they feel about the way Brown is handling his job, 42 percent of adults approve, 24 percent disapprove, and 33 percent don't know. Likely voters rate the governor similarly (46% approve, 28% disapprove), but they are less likely to say they don't know (25%). Brown's job approval rating among adults is similar to his rating in April and has rebounded somewhat from February (41% January, 34% February, 34% March, 40% April, 42% today). His job approval rating among likely voters follows a similar pattern (47% January, 41% February, 41% March, 46% April, 46% today). Job approval ratings for the legislature are much lower than the governor's: 23 percent of adults and 17 percent of likely voters approve (58% adults, 72% likely voters disapprove).

MOST WANT SPENDING CUTS IN PRISONS, CORRECTIONS

When asked about cutting spending to help reduce the state budget deficit, solid majorities of adults and likely voters oppose cuts in three of the four largest budget categories: K–12 public education (76% adults, 73% likely voters), higher education (68% adults, 64% likely voters) or health and human services (66% adults, 61% likely voters). But they support cuts in the fourth category: prisons and corrections (62% adults, 70% likely voters).

Californians say they are willing to pay higher taxes to maintain current funding levels for K–12 public education (69%), for higher education (56%), and for health and human services (57%). Most likely voters (63%) would pay higher taxes for K–12 schools, but they are divided on higher education (51% yes, 47% no) and on health and human services (51% yes, 47% no). But in this survey—taken mainly before the U.S. Supreme Court ruled that California must reduce its prison population—79 percent of adults and 80 percent of likely voters oppose paying more in taxes to maintain current funding levels for prisons and corrections.

“Public opinion is an obstacle to finding solutions to prison overcrowding,” Baldassare says. “While Californians disagree on many fiscal issues, they overwhelmingly oppose tax increases—and favor spending cuts—for prisons and corrections.”

While Californians say they are generally willing to consider higher taxes for public schools, higher education, and health and human services, fewer than half support raising taxes and fees in specific categories:

- Raising state personal income taxes (38% adults, 35% likely voters favor);
- Raising the state sales tax on all purchases (25% adults, 30% likely voters favor);
- Increasing the vehicle license fee (34% adults, 38% likely voters favor);
- Extending the state sales tax to services that are not currently taxed (39% adults, 42% likely voters favor).

LOCAL GOVERNMENTS VIEWED AS MORE TRUSTWORTHY THAN STATE

Californians' negative views of the state's elected officials are echoed in their lack of trust in state government. Only about a quarter of residents say they can trust state government to do what is right just about always (5% adults, 2% likely voters) or most of the time (22% adults, 16% likely voters). Majorities say they can trust state government to do what is right only some or none of the time (72% adults, 81% likely voters). Most (67% adults, 72% likely voters) feel that state government is pretty much run by a few big interests looking out for themselves rather than for the benefit of all the people. Fewer—but still a majority—say local government is run by a few big interests (54% adults, 53% likely voters). Asked about trust in their local government, about a third say they can trust local government to do what is right just about always (6% adults, 5% likely voters) or most of the time (29% adults, 30% likely voters).

Brown has proposed shifting funding and responsibility for some programs from the state to local governments. Asked about the relationship between state and local governments, Californians say there's a need for change, with 52 percent saying major changes are needed, 32 percent saying minor changes are needed, and just 11 percent saying the relationship is fine as is. Who should have the most control in deciding how money from state government is spent at the local level? Strong majorities (70% adults, 78% likely voters) prefer local government over state government (25% adults, 18% likely voters).

If there is a realignment of responsibilities, local governments may need to find new ways to raise revenues, and fiscal reforms have been suggested to address this issue. Asked their views on lowering the vote requirement to pass local special taxes from two-thirds to 55 percent, just over half of adults (54%) and 51 percent of likely voters say this is a good idea. Other reforms proposed to address structural issues in the state budget get the support of strong majorities: 72 percent of adults (75% likely voters) say it would be a good idea to strictly limit the amount of money by which the state can increase spending each year, and 70 percent of adults (69% likely voters) say it would be a good idea to increase the size of the state's rainy day fund.

SUPPORT FOR INITIATIVES—AND FOR REFORMS IN THE PROCESS

By strong majorities, Californians say it is a good thing that voters can make laws and change public policies by passing initiatives (75% adults, 73% likely voters), and that decisions made through the initiative process are probably better than decisions made by the governor and legislature (62% adults and likely voters). But most also say major changes (39% adults, 37% likely voters) or minor ones (37% adults, 40% likely voters) are needed in the process.

Four reforms suggested for the initiative process are favored by majorities of residents:

- Having a period of time in which the initiative sponsor and the legislature could meet to see if there is a compromise solution before initiatives are put on the ballot (81% adults, 83% likely voters);
- Increasing public disclosure of funding sources for signature gathering and initiative campaigns (80% adults, 86% likely voters);
- Allowing initiatives only in November general elections, rather than in any statewide election (57% adults, 59% likely voters);
- Increasing the number of signatures required to qualify an initiative for the ballot (55% adults, 51% likely voters).

MORE KEY FINDINGS

- **Pessimism persists**—page 7

Californians are more pessimistic about the state's direction than they have been all year but less pessimistic than they were in 2010, with 61 percent saying California is headed in the wrong direction and just 29 percent saying it's headed in the right direction.

- **Economic concerns dominate**—pages 7, 8

Jobs and the economy top the list of the most important issues Californians face, as it has since March 2008. Most (58%) expect bad times financially in the next year. Nearly half say the state is in a serious economic recession (47%) and are concerned that someone in their own family will lose a job in the next year (48%).

- **Most paying attention to budget news**—page 17

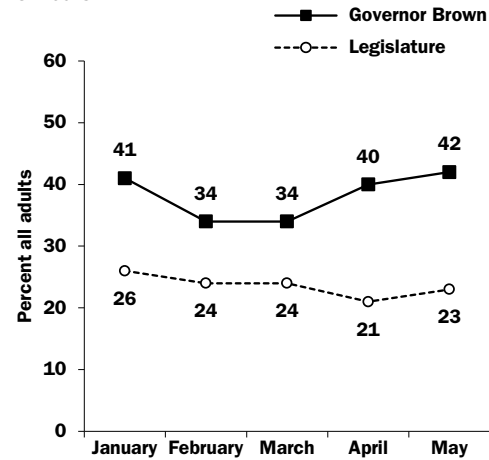
Most Californians (61%) say they are following news about the state's budget situation very or fairly closely.

STATE ISSUES

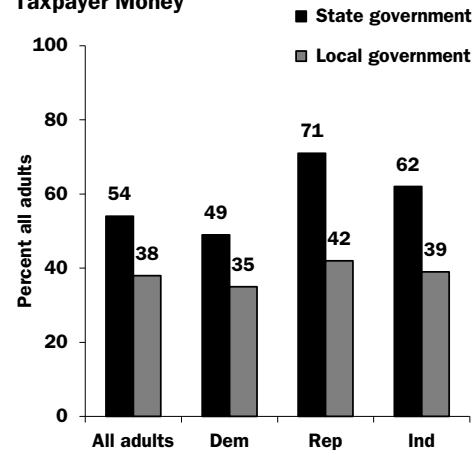
KEY FINDINGS

- Nearly six in 10 Californians name jobs and the economy as the most important issue facing California today; nearly half think that California is in a serious recession and are worried about job loss in their household. *(pages 7, 8)*
- Forty-two percent of Californians approve of Governor Jerry Brown, and a third are still unsure how to rate his performance; only 23 percent approve of the legislature's job performance. *(page 9)*
- Seventy-two percent of Californians say that state government can be trusted to do what is right only some of the time or never; 63 percent hold this view about their local government. Over half of Californians think state government wastes a lot of taxpayer money; four in 10 hold this view of their local government. *(pages 10, 11)*
- Most Californians say that the relationship between state and local governments needs major or minor changes. Seven in 10 say that local governments, rather than the state government, should have the most control in deciding how state money should be spent at the local level. *(page 12)*
- Just over half of Californians think replacing the two-thirds vote threshold required to pass local special taxes with a 55-percent majority vote is a good idea. Seven in 10 say limiting the amount that state spending could increase each year and increasing the size of the state's rainy day fund are good ideas. *(page 13)*
- Strong majorities of Californians think it is a good thing that voters can make policy through initiatives, but many support initiative reforms. *(pages 14, 15)*

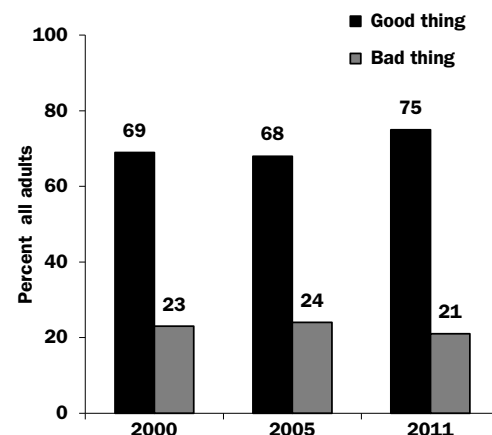
Approval Ratings of State Elected Officials



Belief That Government Wastes a Lot of Taxpayer Money



Attitudes Toward Voters' Ability to Make Laws and Change Policies Through Initiatives



OVERALL MOOD

Californians (57%) continue to name jobs and the economy as the most important issue facing them today. Only 11 percent mention the state budget, deficit, and taxes, 9 percent name education and schools, and 4 percent immigration. Mention of jobs and the economy is similar to March (53%) and February (57%). Jobs and the economy has topped the list of most important issues since March 2008 (35%), and has been above 50 percent since February 2009 (63%). The state budget and taxes was mentioned by 14 percent of Californians in both February and March. Findings are similar among likely voters. Democrats (57%) are slightly more likely than Republicans (51%) and independents (49%) to cite jobs and the economy as the most important issue facing people in California.

“Thinking about the state as a whole, what do you think is the most important issue facing people in California today?”

Top four issues mentioned	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Jobs, economy	57%	57%	51%	49%	52%
State budget, deficit, taxes	11	11	17	16	16
Education, schools	9	13	8	10	11
Immigration, illegal immigration	4	4	5	4	4

Solid majorities continue to be pessimistic about the direction of the state: 61 percent of adults and 66 percent of likely voters say that things in California are generally going in the wrong direction. The percentage holding this view today is the highest for this year (54% January, 55% February, 59% March, 61% today). However, the pessimism level was higher in 2010, when about 70 percent or more Californians said that things in the state were going in the wrong direction.

Across party lines, Republicans (77%) are much more likely than independents (65%) and Democrats (54%) to say that things in California are generally going in the wrong direction. At least half across demographic and regional groups share this view. Among racial/ethnic groups, Latinos (64%) and whites (63%) are much more likely than Asians (50%) to agree. Women (66%) are somewhat more likely than men (57%) to say that things in the state are going in the wrong direction. Those in households earning \$80,000 or more are slightly more likely to have this view than other income groups. Residents of the Other Southern California region (69%) are more likely than those living in the Central Valley (61%), Los Angeles (58%), and the San Francisco Bay Area (57%) to say that things in the state are going in the wrong direction.

“Do you think things in California are generally going in the right direction or the wrong direction?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Right direction	29%	38%	15%	25%	27%
Wrong direction	61	54	77	65	66
Don't know	10	8	8	11	7

ECONOMIC OUTLOOK

Pessimism extends to future economic conditions: majorities of Californians (58%) and likely voters (63%) think that the state will have bad times financially in the next 12 months. Results were similar in January, when 56 percent of adults and 63 percent of likely voters said bad times were ahead for California. Pessimism was somewhat higher in May 2010 (65% adults, 71% likely voters).

The percentage saying the state is in a recession was 90 percent last May and is 88 percent today. There have been slight improvements in the perception of the severity of the recession over the last year. Forty-seven percent say that the state is in a serious recession now, but 55 percent said so last May. The percentage saying that the recession is serious has remained below 50 percent in 2011 (48% January, 47% March, 47% today), while majorities held this view in 2010.

Across regions, San Francisco Bay Area residents (36%) are the least likely to say the recession is serious. Californians in the Other Southern California region (54%) are somewhat more likely than those living in the Central Valley (47%) and Los Angeles (45%) to say that the recession is serious. Whites (52%) are more likely than Asians (41%) or Latinos (40%) to believe that California is in a serious recession. Compared to older residents, those age 18–34 (37%) are less likely to hold this view. Those with at least some college education, compared to those with a high school education or less, are more likely to think that the recession is serious, as are homeowners compared to renters.

**“Would you say that California is in an economic recession, or not?
(if yes: Do you think it is in a serious, a moderate, or a mild recession?)”**

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
Serious recession	47%	47%	36%	45%	54%	54%
Moderate recession	34	32	44	33	28	30
Mild recession	7	6	8	8	6	6
Not in a recession	10	15	8	11	10	9
Don't know	2	–	3	2	2	1

When asked about job loss in their own family, 48 percent say they are very (30%) or somewhat (18%) concerned that someone will experience job loss in the next year. Six percent volunteer that they or someone in their family have already lost their jobs. Forty-five percent say they are not concerned about job loss. Results have been similar since last September. Latinos (61%) are much more likely than whites (40%) or Asians (39%) to express concern about family job loss. Concern declines as income and education rise.

**“Are you concerned that you or someone in your family will lose their job in the next year, or not?
(if yes: Are you very concerned or somewhat concerned?)”**

	All Adults	Household Income			Likely Voters
		Under \$40,000	\$40,000 to under \$80,000	\$80,000 or more	
Yes, very concerned	30%	36%	28%	21%	29%
Yes, somewhat concerned	18	20	18	16	16
No	45	36	45	60	47
Have already lost job (volunteered)	6	8	7	3	7
Don't know	1	1	1	1	–

APPROVAL RATINGS

In the wake of Governor Jerry Brown’s revised May budget and with ongoing contention about the budget, 42 percent of Californians approve of his overall job performance; one in four disapprove and a third are unsure how to rate him. Approval among likely voters (46%) is similar, but they are less likely to be unsure (25%). Approval among all adults is similar to April and has rebounded somewhat from February and March, (41% January, 34% February, 34% March, 40% April, 42% today). Findings among likely voters follow a similar pattern (47% January, 41% February, 41% March, 46% April, 46% today).

Partisans hold differing views of Governor Brown, with nearly six in 10 Democrats (58%) expressing approval, while fewer independents (45%) and far fewer Republicans (26%) hold this view. Residents of the San Francisco Bay Area (54%) are more likely than those in the Central Valley (44%), Los Angeles (41%), and the Other Southern California region (32%) to approve of his job performance. Asians (48%) are the most likely racial/ethnic group to approve, followed by whites (44%) and Latinos (39%). College graduates (51%) are more likely than those with some college (38%) or a high school education or less (40%) to approve of Governor Brown’s job performance. Those in households earning \$80,000 or more (50% approve) compared to those earning \$40,000 to \$80,000 (39%) or under \$40,000 (40%) are more likely to approve.

“Overall, do you approve or disapprove of the way that Jerry Brown is handling his job as governor of California?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Approve	42%	58%	26%	45%	46%
Disapprove	24	15	47	28	28
Don’t know	33	27	27	27	25

Approval ratings of the California Legislature continue to lag behind those of the governor, with just 23 percent expressing approval and six in 10 disapproving (58%). Likely voters are even more negative (17% approve, 72% disapprove). Approval among all adults has been similar this year and has rebounded from a low of 14 percent in November 2010. Approval has not exceeded 30 percent since January 2008 (34%).

Approval of the legislature is low across parties (23% Democrats, 17% independents, 14% Republicans) and regions (26% Los Angeles, 24% Central Valley, 24% San Francisco Bay Area, 19% Other Southern California). Latinos (34%) are more likely than Asians (25%) and more than twice as likely as whites (15%) to approve. Legislative approval decreases with income. Approval is higher among Californians age 18 to 34 than among older adults, and higher among those with a high school education or less than among more educated adults.

“Overall, do you approve or disapprove of the way that the California Legislature is handling its job?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Approve	23%	23%	14%	17%	17%
Disapprove	58	61	76	66	72
Don’t know	19	16	9	17	11

TRUST IN STATE GOVERNMENT

Californians' negativity about the state's elected officials can also be seen in their lack of trust in state government. About one in four think they can trust state government to do what is right just about always (5%) or most of the time (22%), while two in three say only some of the time (65%) and 7 percent volunteer that they can never trust the state government. Likely voters hold even more negative opinions (2% just about always, 16% most of the time, 72% only some of the time, 9% none of the time). More than seven in 10 Californians said state government can be trusted only sometimes or never the last three times we asked this question (74% May 2009, 76% September 2009, 79% October 2010). Strong majorities across parties think state government can be trusted only some or none of the time (73% Democrats, 77% independents, 87% Republicans) and strong majorities across regions agree. Central Valley residents (78%) are the most likely—and Los Angeles residents (68%) the least likely—to hold this view. Whites (80%) are the most likely racial/ethnic group to say state government can be trusted only sometimes or never, followed by Asians (69%) and Latinos (57%).

“How much of the time do you think you can trust the state government in Sacramento to do what is right?”

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
Just about always	5%	4%	2%	6%	5%	2%
Most of the time	22	18	25	24	20	16
Only some of the time	65	73	66	59	65	72
None of the time (volunteered)	7	5	6	9	9	9
Don't know	1	–	1	3	1	1

More than six in 10 Californians (67%), likely voters (72%), voters across parties (66% Democrats, 74% independents, 77% Republicans), and residents across regions, think that state government is pretty much run by a few big interests looking out for themselves rather than for the benefit of all the people. Seven in 10 whites (70%) and Asians (69%) say this, compared to fewer Latinos (58%). However, this perception is down 8 points since its record high last October (75%).

Nearly all Californians say state government wastes a lot (54%) or some (39%) of taxpayer money; only 5 percent say it doesn't waste very much. Likely voters hold similar opinions (58% a lot, 37% some, 4% don't waste very much). The perception that the state government wastes a lot of money paid in taxes has declined 12 points since its record high last October (66%). Solid majorities of Republicans (71%) and independents (62%), compared to half of Democrats (49%), think state government wastes a lot of taxpayer money. At least half across regions also hold this view. Among those that think state government is run for the benefit of a few big interests, 68 percent say a lot is wasted.

“Do you think the people in state government waste a lot of the money we pay in taxes, waste some of it, or don't waste very much of it?”

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
A lot	54%	51%	54%	54%	55%	58%
Some	39	42	36	38	40	37
Don't waste very much	5	6	7	5	4	4
Don't know	2	1	2	2	2	1

TRUST IN LOCAL GOVERNMENT

Although 72 percent of Californians say they can trust state government to do what is right only sometimes or never, 63 percent say the same about local government. At the local level, about one in three think they can trust local government to do what is right just about always (6%) or most of the time (29%). Findings among likely voters are similar. Trust in local government is similar across parties, with more than six in 10 saying they trust local government only sometimes or never (63% Democrats, 66% independents, 68% Republicans). Majorities across regions hold this view, as do Latinos (60%), Asians (62%), and whites (64%). The perception that local government can be trusted only some or none of the time is held by six in 10 or more across age, education, and income groups.

“How much of the time do you think you can trust your local government to do what is right?”

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
Just about always	6%	3%	5%	11%	4%	5%
Most of the time	29	32	34	23	30	30
Only some of the time	58	61	54	59	58	58
None of the time (volunteered)	5	3	7	5	6	7
Don't know	1	–	–	2	2	1

And although two in three Californians think state government (67%) is run by a few big interests, they are much less likely to hold this view of local government (54%). However, this view is still held by a majority of likely voters (53%) and voters across parties (52% Democrats, 54% Republicans, 58% independents). Regional differences are also present: Central Valley residents (63%) are most likely—and San Francisco Bay Area residents (48%) least likely—to hold the view that local government is run by a few big interests.

The belief that the government wastes a lot of taxpayer money is less widely held at the local level than at the state level (38% vs. 54%). Still, eight in 10 Californians perceive at least some waste locally (38% a lot, 43% some). Likely voters hold similar opinions (39% a lot, 40% some). Across parties (35% Democrats, 39% independents, 42% Republicans) and regions, respondents say a lot of taxpayer money is wasted locally. This perception is less likely to be held by Asians (28%) than whites (37%) or Latinos (42%). Women are more likely than men (43% to 34%) to hold this view and the perception that a lot of taxpayer money is wasted locally decreases as education and income rise.

“Do you think the people in your local government waste a lot of the money paid in taxes, waste some of it, or don't waste very much of it?”

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
A lot	38%	42%	35%	43%	37%	39%
Some	43	43	47	43	40	40
Don't waste very much	15	13	15	10	19	18
Don't know	4	3	4	5	4	3

STATE AND LOCAL RELATIONSHIP

In January, Governor Brown proposed realigning—from the state government to local governments—some funding and some responsibilities for carrying out certain government programs. Californians perceive the need for change in the state and local relationship: over eight in 10 Californians say major (52%) or minor changes (32%) are needed, with 11 percent saying that the current state-local relationship is fine the way it is.

About half or more across parties say major changes are needed (48% Democrats, 51% independents, 54% Republicans). Across regions, residents of the Central Valley (57%) are most likely—and residents of the Other Southern California region (46%) least likely—to say that major changes are needed. Latinos (56%) are more likely than whites (49%) and Asians (41%) to say that the state and local relationship is in need of major changes. The belief that major changes are needed increases with age.

“As you may know, many government services are delivered to California residents through a mix of state and local funding. Do you think that the relationship between state and local government is in need of major changes, minor changes, or is it basically fine the way it is?”

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
Major changes	52%	57%	54%	54%	46%	53%
Minor changes	32	28	31	28	38	32
Fine the way it is	11	11	8	14	10	8
Don't know	5	5	7	5	6	7

When asked about who should have the most control in deciding how money from the state government is spent at the local level, strong majorities of Californians prefer local government (70%) over state government (25%). While strong majorities across parties think local government should have the most control, Republicans (86%) are more likely than independents (76%) and Democrats (68%) to hold this view. Strong majorities across regions also prefer that local government have the most control, with residents in the San Francisco Bay Area (76%) most likely to hold this view, followed by residents in the Central Valley (71%), Other Southern California region (69%), and Los Angeles (64%).

Although solid majorities across demographic groups prefer local control, whites (79%) and Asians (72%) are much more likely than Latinos (60%) to hold this view. Those with a high school education or less (61%) are much less likely than those with some college (79%) or a college degree (76%) to prefer control at the local level; similarly, Californians in households making under \$80,000 (67% under \$40,000, 66% \$40,000–\$80,000) are much less likely than upper-income residents (81%) to say the same. Among those who say major changes are needed to the state and local relationship, 69 percent say local government should have the most control, while among those who say the relationship is fine the way it is 60 percent prefer local control.

“Who do you think should have the most control in deciding how money from the state government is spent at the local level: local government or the state government?”

	All Adults	Region				Likely Voters
		Central Valley	San Francisco Bay Area	Los Angeles	Other Southern California	
Local government	70%	71%	76%	64%	69%	78%
State government	25	25	20	31	24	18
Don't know	5	4	4	5	7	4

FISCAL REFORMS

If there is a realignment of responsibilities from the state to local government, local governments may need to find new ways to raise revenues. Fiscal reforms have been suggested to address these issues. Just over half of Californians (54%) and 51 percent of likely voters think lowering the vote requirement from two-thirds to 55 percent to pass local special taxes is a good idea. Findings today are similar to January's (53% all adults, 50% likely voters). Today, there is a vast partisan divide, with six in 10 Democrats (63%) saying it is a good idea and six in 10 Republicans (62%) saying this proposal is a bad idea. Just over half of independents (54%) say lowering the vote threshold is a good idea. Residents in the Central Valley (57%), Los Angeles (55%), and the San Francisco Bay Area (54%) are more likely to say this is a good idea than residents in the Other Southern California region (48%). Latinos (60%) and Asians (59%) are slightly more likely than whites (52%) to agree.

“Fiscal reforms have been proposed to address the structural issues in the state budget and local budget issues. For each of the following, please say whether you think the proposal is a good idea or a bad idea. How about replacing the two-thirds vote requirement with a 55-percent majority vote for voters to pass local special taxes?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Good idea	54%	63%	33%	54%	51%
Bad idea	40	32	62	41	45
Don't know	6	6	5	5	4

When asked about a proposal to strictly limit the amount of money by which state spending could increase each year, more than seven in 10 adults (72%) and likely voters (75%) say this proposal is a good one. Findings today among all adults are similar to January's (71%) and about seven in 10 adults have held this view since January 2010. Today, there is bipartisan support: Republicans (83%), independents (73%), and Democrats (68%) all say this is a good idea. At least two in three across regions and demographic groups also say a limit on state budget increases is a good idea.

Seven in 10 adults (70%) and likely voters (69%) also support increasing the size of the state's rainy day fund. Seven in 10 or more have said this is a good idea each time this question was asked (74% May 2010, 73% January 2011, 70% today); Democrats (74%) and independents (70%) are more likely than Republicans (61%) to say so. Across regions, about seven in 10 say this is a good idea; Asians (73%), Latinos (73%), and whites (68%) agree.

Strong majorities say strictly limiting increases in state spending and increasing the size of the rainy day fund are good ideas regardless of how they perceive the seriousness of the state budget situation.

“How about...”

		All Adults	Party			Likely Voters
			Dem	Rep	Ind	
...strictly limiting the amount of money that state spending could increase each year?	Good idea	72%	68%	83%	73%	75%
	Bad idea	24	28	15	22	21
	Don't know	4	4	2	5	4
...increasing the size of the state's rainy day fund and requiring above-average revenues to be deposited into it for use during economic downturns?	Good idea	70	74	61	70	69
	Bad idea	23	21	30	22	23
	Don't know	7	6	9	8	8

INITIATIVE PROCESS

When it comes to the use of the initiative process, three in four Californians (75%) and likely voters (73%) think it is a good thing that a majority of voters can make laws and change public policies by passing initiatives. Far fewer adults (21%) and likely voters (23%) say it is a bad thing. Since we first asked this question in October 2000, more than two in three Californians have said this is a good thing. Seven in 10 or more across parties, regions, and most demographic groups agree.

Californians not only think it's a good thing they can make policy at the ballot box, but six in 10 adults (62%) and likely voters (62%) also think that decisions made this way are probably better than decisions made by the governor and state legislature. At least 56 percent of adults have said public policy decisions made by voters are probably better each of the eight times we have asked this question.

Republicans (65%), independents (63%), and Democrats (58%) think decisions made by voters are probably better than decisions made by the governor and legislature. Residents of Los Angeles and the Other Southern California region (64% each) are the most likely to hold this view, followed by residents in the Central Valley (58%) and the San Francisco Bay Area (54%). Latinos (67%) are slightly more likely than whites (60%) or Asians (57%) to say voters' decisions are probably better. Of those who say it is a good thing that voters can make policy at the ballot box, 72 percent say these decisions are probably better.

“Overall, do you think public policy decisions made through the initiative process by California voters are probably better or probably worse than public policy decisions made by the governor and state legislature?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Probably better	62%	58%	65%	63%	62%
Probably worse	23	27	16	24	23
Same (volunteered)	6	5	8	5	6
Don't know	10	10	11	7	9

Although Californians think making policy through the initiative process is a good thing, three in four say either major (39%) or minor changes (37%) to the process are needed; only 18 percent say the process is fine the way it is. Likely voters hold similar opinions. The belief among Californians that change is needed in the initiative process is similar to last October's (81%), but the perception that major changes are needed has declined 13 points (52% to 39%). More than two in three across parties, regions, and demographic groups say at least minor changes are needed. Among those who say it is a good thing that voters can make policy through initiatives and those who think these decisions are probably better, about one in three say major changes are needed to the initiative process.

“Do you think the citizens' initiative process in California is in need of major changes, minor changes, or that it is basically fine the way it is?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Major changes	39%	39%	33%	39%	37%
Minor changes	37	40	41	40	40
Fine the way it is	18	17	19	16	17
Don't know	5	4	7	5	5

INITIATIVE REFORMS

When asked about four reforms that have been suggested to address issues in the initiative process, majorities express support. Most (81% adults, 83% likely voters) favor having a period of time in which the initiative sponsor and the legislature could meet to see if a compromise solution is possible before initiatives go on the ballot. At least 75 percent have favored this reform the five times we have asked this question. At least three in four across parties, regions, and demographic groups favor this idea.

Eight in 10 adults (80%) and 86 percent of likely voters favor increasing public disclosure of funding sources for signature gathering and initiative campaigns. Support has eclipsed 70 percent each of the five times we have asked this question. Today, support is 80 percent across partisan groups. Support rises with increasing age and income, and those with at least some college education are much more likely to favor this reform than those with a high school education or less.

“Reforms have been suggested to address issues that arise in the initiative process. Please say whether you would favor or oppose each of the following reform proposals. How about...”

		All Adults	Party			Likely Voters
			Dem	Rep	Ind	
<i>...having a period of time in which the initiative sponsor and the legislature could meet to see if there is a compromise solution before initiatives go to the ballot?</i>	Favor	81%	86%	81%	78%	83%
	Oppose	16	11	15	19	14
	Don't know	4	3	3	3	3
<i>...increasing public disclosure of funding sources for signature gathering and initiative campaigns?</i>	Favor	80	83	82	81	86
	Oppose	15	14	11	14	10
	Don't know	5	3	7	5	4

Californians favor two additional reforms but to a lesser degree. Nearly six in 10 adults and likely voters favor allowing initiatives in November general elections only, rather than in any statewide election, such as a primary or special election. Majorities across parties favor this reform, with Democrats (60%) showing the most support. Whites (54%) are less likely than Asians (62%) and Latinos (64%) to favor voting on initiatives in general elections only.

Fifty-five percent of adults and 51 percent of likely voters favor increasing the number of signatures required to qualify an initiative for the ballot. Californians were divided in 2005 (45% favor, 43% oppose). At least half across parties favor this reform. Latinos (67%) and Asians (64%) are much more likely than whites (45%) to express support.

Of those who say major changes are needed in the initiative process, solid majorities favor a period of time for compromise (80%), increasing disclosure of funding sources (75%), allowing initiatives in general elections only (62%), and increasing the number of signatures to qualify an initiative (68%).

“How about...”

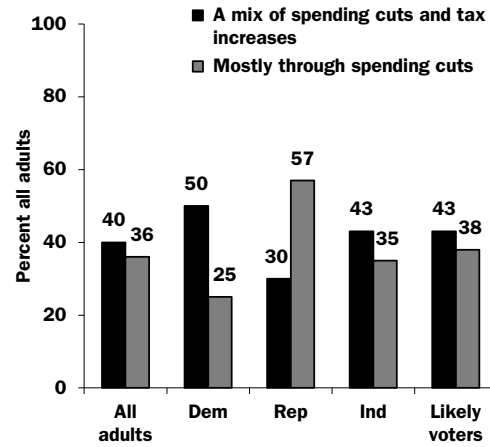
		All Adults	Party			Likely Voters
			Dem	Rep	Ind	
<i>...only allowing initiatives in November general elections, instead of in any statewide election, such as primaries or special elections?</i>	Favor	57%	60%	56%	53%	59%
	Oppose	35	33	35	40	35
	Don't know	7	8	8	7	7
<i>...increasing the number of signatures required to qualify an initiative for the ballot?</i>	Favor	55	54	50	51	51
	Oppose	39	40	41	44	42
	Don't know	6	6	10	5	7

CALIFORNIA STATE BUDGET

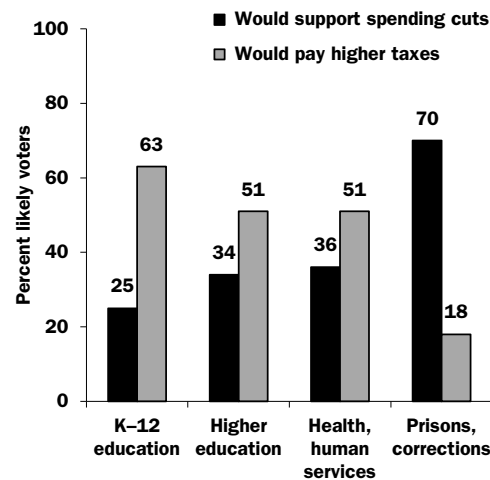
KEY FINDINGS

- Six in 10 Californians are following news about the state budget very or fairly closely and seven in 10 say the budget situation is a big problem. *(page 17)*
- When it comes to resolving the state budget deficit, Californians are divided between using a mix of spending cuts and tax increases (40%) and using mostly spending cuts (36%). The vast majority think that California voters should also have a voice in budget decisions this year. *(page 18)*
- At least half of Californians and likely voters would pay higher taxes for K–12 education, higher education, and health and human services, while at least six in 10 oppose cuts in these areas. One in five in both groups would pay higher taxes for prisons, and at least six in 10 support spending cuts in this area. *(pages 19, 20)*
- Majorities of Californians and likely voters oppose raising the state personal income tax, raising the state sales tax, increasing the vehicle license fee, or extending the state sales tax to services that are not currently taxed. *(page 21)*
- More than six in 10 Californians and likely voters favor the governor’s budget plan and say his proposed special election is a good idea, but fewer than half favor his proposed tax and fee package. Thirty-five percent of adults and 39 percent of likely voters are very concerned about the effects of spending cuts if the tax increases in the governor’s plan are not passed. *(page 22)*

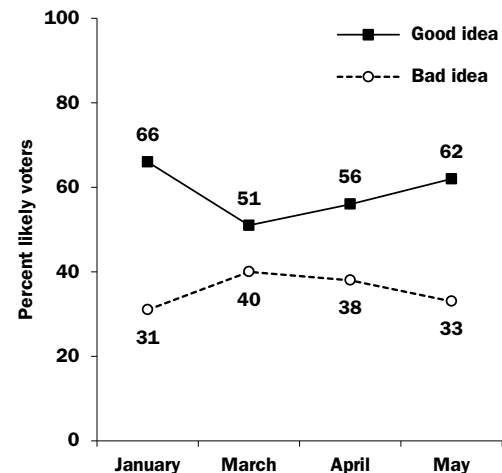
Preference for Dealing With the State Budget Situation



Attitudes Toward Major State Spending Areas



Governor Brown’s Proposed Special Election



STATE BUDGET SITUATION

Six in 10 Californians say they are following news about the state's budget situation very (19%) or fairly (42%) closely while four in 10 are following news not too (26%) or not at all (13%) closely. Among likely voters, attention to news about the state budget is higher (25% very, 50% fairly closely). Across parties, strong majorities are following news about the state budget at least fairly closely. Very close or fairly close attention to news rises with age, education, and income. Attention to budget news today among all adults is lower than it was in January 2009 (25% very, 50% fairly closely) after Governor Schwarzenegger had declared a state of fiscal emergency to deal with a \$40 billion budget deficit. Attention today however, is comparable to attention in May 2004 (17% very, 44% fairly closely) two months after voters had passed Proposition 57, the Economic Recovery Bond Act, to ease the deficit at that time.

“How closely are you following news about the California state budget?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Very closely	19%	19%	24%	26%	25%
Fairly closely	42	49	49	41	50
Not too closely	26	23	18	21	18
Not at all closely	13	9	9	12	7
Don't know	–	–	–	–	–

Nearly all Californians consider the state's budget situation to be a problem and strong majorities of Californians (70%) and likely voters (82%) call it a big problem. Findings among all adults are similar to findings in March (68%) and January (68%) of this year. Strong majorities have held this view each May since the start of the economic downturn (67% May 2008, 74% May 2009, 81% May 2010, 70% today); by comparison, 44 percent held this view in May 2007.

Majorities across parties, regions, and demographic groups call the state budget situation a big problem, with some variation. Across parties, Republicans (88%) are more likely than Democrats (77%) or independents (68%) to say the budget situation is a big problem. Latinos (55%) are much less likely than Asians (69%) and whites (81%), and men (64%) are less likely than women (76%), to call it a big problem. Fewer residents in the 18–34 age group, or among those with a high school education or less, or with household incomes of under \$40,000 call the situation a big problem, compared to more educated, older, and higher-income Californians. Those not paying close attention to budget news are much less likely than those paying very or fairly close attention to say the budget situation is a big problem.

“Do you think the state budget situation in California—that is, the balance between government spending and revenues—is a big problem, somewhat of a problem, or not a problem for the people of California today?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Big problem	70%	77%	88%	68%	82%
Somewhat of a problem	24	19	9	24	15
Not a problem	4	2	2	5	3
Don't know	2	1	1	2	1

DEALING WITH THE STATE BUDGET SITUATION

To resolve the state's multibillion-dollar budget gap, 40 percent of Californians prefer a mix of spending cuts and tax increases, while 36 percent prefer mostly spending cuts; just 9 percent prefer mostly tax increases and 8 percent say it is okay to borrow and run a deficit. We have tracked this question throughout the economic downturn; since December 2007, Californians have either been divided between a mix of cuts and taxes and mostly spending cuts, or else they have somewhat preferred a mix (but not by a majority). Today, Governor Brown is proposing a mix of cuts and taxes, while Republicans in the legislature have proposed mostly cuts. Among voters, most Democrats (50%) prefer a mix of cuts and taxes and most Republicans (57%) prefer spending cuts. Preference for any one of the four options—spending cuts, tax increases, a mix, or borrowing—does not reach 50 percent in any regional or demographic group.

When it comes to the tough choices involved in state budgeting, half of Californians prefer the approach of Brown (23%) or of the Democrats in the legislature (27%), while 24 percent prefer the approach of the legislature's Republicans. Findings are nearly identical to those in January (26% Brown, 28% Democrats to 26% Republicans). Voters are again divided along partisan lines: three in four Democrats prefer the approach of Brown (36%) or legislative Democrats (41%), while two in three Republicans prefer the approach of legislative Republicans (67%). Among independents, most prefer Brown's (24%) or legislative Democrats' approach (19%), while 24 percent prefer the approach of legislative Republicans.

“When it comes to the tough choices involved in the state budget, both in deciding how much Californians should pay in taxes and how to fund state programs, whose approach do you most prefer—Governor Brown’s, the Democrats’ in the legislature, or the Republicans’ in the legislature?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Governor Brown’s	23%	36%	10%	24%	26%
Democrats’ in the legislature	27	41	5	19	21
Republicans’ in the legislature	24	6	67	24	33
Other/none (volunteered)	10	4	10	17	11
Don’t know	15	13	9	15	9

Nearly everyone agrees on at least one issue: three in four Californians (77%) and likely voters (76%) say voters should make some of the decisions about spending and taxes at the ballot box this year; only one in five say the governor and legislature should make all of the decisions. More than six in 10 across parties, regions, and demographic groups say voters should be involved.

“And when it comes to the tough choices involved in the state budget this year, would you prefer: that the governor and legislature make all of the decisions about spending and taxes, or that California voters make some of the decisions about spending and taxes at the ballot box?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
The governor and legislature make all of the decisions	20%	19%	19%	23%	21%
California voters make some of the decisions	77	77	78	73	76
Other	1	1	1	2	1
Both (volunteered)	1	2	–	1	2
Don’t know	2	1	1	1	1

SPENDING CUTS

When asked about cutting spending to help reduce the state budget deficit, solid majorities of adults and likely voters oppose cutting K–12 public education (76% adults, 73% likely voters), higher education (68% adults, 64% likely voters), or health and human services (66% adults, 61% likely voters). Of the four largest budget areas, they only support cutting prisons and corrections (support: 62% adults, 70% likely voters). In January, opposition among adults to cutting spending on K–12 education (75% January to 76% today) was similar, while opposition to spending cuts has grown slightly for higher education (63% to 68%), health and human services (60% to 66%), and even prisons and corrections (27% opposed in January to 34% today).

“Spending cuts could be used to help reduce the state budget deficit. For each of the following, please indicate whether you support or oppose the proposal. How about cutting spending on...?”

	K–12 public education	Higher education	Health and human services	Prisons and corrections
Support	22%	30%	31%	62%
Oppose	76	68	66	34
Don't know	2	2	3	4

Less than a third of residents across parties, regions, and demographic groups support cutting spending on K–12 education, except among Republicans (41%). On higher education, fewer than four in 10 across groups support spending cuts—again except among Republicans (50% support, 48% oppose). Support for cutting higher education is higher among men (36%) than women (25%), and among residents age 35 and older (35% 35–54, 33% 55 and older) than younger residents (21%). On health and human services, less than four in 10 across groups support spending cuts, except among Republicans (56%) and those with annual incomes of \$80,000 or higher (42% support, 57% oppose). Support for cuts is higher among those age 35 and older than among younger residents. As for prisons and corrections, about six in 10 or more across groups support spending cuts, with the exception of those with a high school education or less (51%), and those with incomes under \$40,000 (55%).

Among those who think the deficit should be resolved mostly through spending cuts, 38 percent support cuts to K–12, 42 percent cuts to higher education, and 45 percent cuts to health and human services. Combining the answers to the questions about the three largest budget areas indicates that 48 percent of residents are opposed to spending cuts in all three.

<i>Percent supporting cuts</i>		K–12 public education	Higher education	Health and human services	Prisons and corrections
All adults		22%	30%	31%	62%
Party	Democrats	13	23	21	66
	Republicans	41	50	56	66
	Independents	20	29	37	69
Region	Central Valley	23	32	35	66
	San Francisco Bay Area	20	27	28	63
	Los Angeles	22	31	28	58
	Other Southern California	27	33	33	63
Household Income	Under \$40,000	20	25	24	55
	\$40,000 to under \$80,000	25	29	32	63
	\$80,000 or more	23	37	42	75
Likely voters		25	34	36	70

TAX INCREASES

When asked if they would be willing to pay higher taxes to maintain current funding levels for the four largest areas of state spending, a strong majority of Californians say yes for K–12 public education (69%) and smaller majorities say yes for higher education (56%) and health and human services (57%); just 19 percent would pay higher taxes to maintain current funding for prisons and corrections. Among likely voters, 63 percent would pay higher taxes for K–12, but they are divided on higher education (51% yes, 47% no) and health and human services (51% yes, 47% no); just 18 percent would pay higher taxes for prisons. In January, findings among all adults were nearly identical (71% supported higher taxes for K–12, 59% for higher education, 57% for health and human services, and 17% for prisons).

“Tax increases could be used to help reduce the state budget deficit. For each of the following, please indicate whether you would be willing to pay higher taxes for this purpose, or not.

What if the state said it needed more money just to maintain current funding for...?

Would you be willing to pay higher taxes for this purpose, or not?”

	K–12 public education	Higher education	Health and human services	Prisons and corrections
Yes	69%	56%	57%	19%
No	29	42	40	79
Don't know	1	2	3	2

When it comes to K–12 public education, strong majorities of Democrats (79%) and independents (69%) would pay higher taxes to maintain current funding, compared to far fewer Republicans (44%). For both higher education and health and human services, seven in 10 Democrats would pay higher taxes to maintain current funding levels, compared to 57 percent of independents and far fewer Republicans (30% for higher education, 26% for health and human services). Majorities across most regions and demographic groups would pay higher taxes for K–12, higher education, or health and human services, but in each case, support declines with age; support is higher among those with incomes under \$40,000 and those with a high school education or less. As for prisons and corrections, fewer than one in four across any political, regional, or demographic group would pay higher taxes to maintain current funding.

<i>Percent willing to pay more taxes</i>		K–12 public education	Higher education	Health and human services	Prisons and corrections
All Adults		69%	56%	57%	19%
Party	Democrats	79	70	70	20
	Republicans	44	30	26	17
	Independents	69	57	57	14
Region	Central Valley	68	52	55	18
	San Francisco Bay Area	73	62	63	18
	Los Angeles	72	60	59	20
	Other Southern California	63	49	52	22
Household Income	Under \$40,000	78	65	65	20
	\$40,000 to under \$80,000	58	48	48	19
	\$80,000 or more	66	51	50	19
Likely Voters		63	51	51	18

RAISING REVENUES

Despite their general willingness to consider higher taxes for K–12, higher education, and health and human services, fewer than half of Californians support raising specific taxes and fees to address the state budget deficit overall. These include raising state personal income taxes (38% adults, 35% likely voters support), the state sales tax on all purchases (25% adults, 30% likely voters), the vehicle license fee (34% adults, 38% likely voters), and extending the state sales tax to services not currently taxed (39% adults, 42% likely voters). In January, we asked about raising income taxes, the sales tax, and the vehicle license fee; fewer than half of adults and likely voters expressed support and majorities were opposed. Support for raising income taxes has increased 8 points among likely voters (27% to 35%). In May 2010, 35 percent of adults and likely voters were in favor of extending the sales tax to services.

As for raising income taxes to address the deficit, eight in 10 Republicans (81%) and two in three independents (66%) are opposed, while Democrats are divided (44% favor, 50% oppose). Majorities across regions are opposed. Residents with annual incomes under \$40,000 (45% favor, 51% oppose) are less opposed than middle-income (68%) and upper-income (63%) residents.

More than six in 10 Californians across parties, regions, and demographic groups oppose raising the state sales tax on all purchases. Republicans (77%) are more likely than independents (73%) and Democrats (64%) to express opposition to this idea. Opposition declines slightly with age and income.

When it comes to raising the vehicle license fee, strong majorities of Republicans (77%) and independents (66%) are opposed, compared to fewer Democrats (53%). At least two in three Central Valley (73%), Other Southern California (68%), and Los Angeles (67%) residents oppose raising the vehicle license fee, while San Francisco Bay Area residents are divided (47% favor, 51% oppose). At least half across demographic groups are opposed, but opposition declines as education and income rise.

Opposition is somewhat lower to the idea of extending the state sales tax to services. Republicans (65%) and independents (55%) are opposed, while Democrats are divided (49% favor, 44% oppose). San Francisco Bay Area residents are divided, while residents elsewhere are more likely to oppose this idea. Opposition is slightly higher among those making less than \$40,000 annually and those with a high school education or less.

“New revenue sources have been proposed to address the state budget deficit. For each of the following, please indicate whether you favor or oppose the proposal. How about...”

		All Adults	Party			Likely Voters
			Dem	Rep	Ind	
<i>...raising state personal income taxes?</i>	Favor	38%	44%	17%	30%	35%
	Oppose	59	50	81	66	61
	Don't know	3	6	3	5	4
<i>...raising the state sales tax on all purchases?</i>	Favor	25	32	22	26	30
	Oppose	73	64	77	73	68
	Don't know	2	4	1	1	2
<i>...increasing the vehicle license fee?</i>	Favor	34	46	22	33	38
	Oppose	64	53	77	66	61
	Don't know	2	1	1	1	1
<i>...extending the state sales tax to services that are not currently taxed?</i>	Favor	39	49	29	37	42
	Oppose	54	44	65	55	52
	Don't know	7	7	7	8	6

GOVERNOR’S BUDGET PROPOSAL

Governor Brown’s May budget revision—reflecting an \$11 billion reduction in the state’s original \$26 billion deficit, mostly through spending cuts—proposes to close the remaining gap using larger-than-expected tax revenues, additional spending cuts, and temporary tax increases. The revision includes increased funding for K–12 public education and community colleges and places about \$1 billion in reserve. When read this brief summary of the governor’s budget plan, more than six in 10 Californians (64%) and likely voters (62%) say they favor it.

“In January the state faced a \$26 billion state budget deficit. Thus far, the governor and legislature have reduced the deficit by about \$11 billion, mostly through spending cuts. The governor proposes to close the remaining state budget deficit with higher than expected tax revenues and through temporary tax increases and additional spending cuts. His plan includes increased funding for K–12 public education and community colleges, and places about \$1 billion in reserve. In general, do you favor or oppose the governor’s budget plan?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Favor	64%	77%	44%	59%	62%
Oppose	30	20	51	34	34
Don’t know	5	3	5	7	5

The governor also proposes holding a special election for a vote on a tax and fee package that would prevent additional budget cuts. Currently, 68 percent of adults and 62 percent of likely voters call the special election a good idea. Support for a special election dipped between January and March, but has grown since then among all adults (67% January, 54% March, 58% April, 68% today), and likely voters (66% January, 51% March, 56% April, 62% today). Most Democrats (74%) and independents (67%) say it is a good idea, but Republicans are divided (50% good, 44% bad). Support is up among independents (14 points) and Republicans (12 points) since April. Of those who think voters should make some of the decisions about spending and taxes this year, 73 percent support a special election. Of those who think the governor and legislature should make all of the decisions, 52 percent still support a special election.

Support for a special election does not, however, translate into support for the tax and fee package itself. Fewer than half of adults (41%) or likely voters (46%) favor the governor’s plan to extend temporary tax and fee increases (and reinstate a temporary income tax increase in 2012). Across parties, Republicans (58%) and independents (53%) are more opposed than are Democrats (49% favor, 42% oppose). Among those who say the special election is a good idea, opinion is divided about the tax and fee package (47% favor, 45% oppose). Among those who are following news about the budget very or fairly closely, 41 percent favor the package. Among those not following news closely, 42 percent favor it.

If voters reject the tax and fee package and additional budget cuts are made, 35 percent of Californians are very concerned about the effects of these cuts, while 44 percent are somewhat concerned.

“In a special election, voters would be asked to pass a tax and fee package that includes an extension of temporary increases—for five years—in the state sales tax and vehicle license fee, and beginning in 2012 a temporary increase—for four years—in state personal income taxes. If voters reject the proposal, additional cuts to services would be made. Do you favor or oppose this proposal?”

	All Adults	Party			Likely Voters
		Dem	Rep	Ind	
Favor	41%	49%	35%	43%	46%
Oppose	51	42	58	53	48
Don’t know	7	9	7	5	6

REGIONAL MAP



METHODOLOGY

The PPIC Statewide Survey is directed by Mark Baldassare, president and CEO and survey director at the Public Policy Institute of California, with assistance from Dean Bonner, project manager for this survey, and survey research associates Sonja Petek and Jui Shrestha. The *Californians and Their Government* series is supported with funding from The James Irvine Foundation. We benefit from discussions with PPIC staff, foundation staff, and other policy experts, but the methods, questions, and content of this report were determined solely by Mark Baldassare and the survey staff.

Findings in this report are based on a survey of 2,005 California adult residents, including 1,603 interviewed on landline telephones and 402 interviewed on cell phones. Interviewing took place on weekday nights and weekend days from May 17 to 24, 2011. Interviews took an average of 19 minutes to complete.

Landline interviews were conducted using a computer-generated random sample of telephone numbers that ensured that both listed and unlisted numbers were called. All landline telephone exchanges in California were eligible for selection and the sample telephone numbers were called as many as six times to increase the likelihood of reaching eligible households. Once a household was reached, an adult respondent (age 18 or older) was randomly chosen for interviewing using the “last birthday method” to avoid biases in age and gender.

Cell phone interviews were included in this survey to account for the growing number of Californians who use them. These interviews were conducted using a computer-generated random sample of cell phone numbers. All cell phone numbers with California area codes were eligible for selection and the sample telephone numbers were called as many as eight times to increase the likelihood of reaching an eligible respondent. Once a cell phone user was reached, it was verified that this person was age 18 or older, a resident of California, and in a safe place to continue the survey (e.g., not driving). Cell phone respondents were offered a small reimbursement to help defray the potential cost of the call. Cell phone interviews were conducted with adults who have cell phone service only and with those who have both cell phone and landline service in the household.

Landline and cell phone interviewing with live interviewers was conducted in English and Spanish according to respondents’ preferences. Accent on Languages, Inc. translated the survey into Spanish, with assistance from Renatta DeFever. Abt SRBI Inc. conducted the telephone interviewing.

With assistance from Abt SRBI we used recent data from the U.S. Census Bureau’s 2006–2008 American Community Survey (ACS) for California to compare certain demographic characteristics of the survey sample—region, age, gender, race/ethnicity, and education—with the characteristics of California’s adult population. The survey sample was closely comparable to the ACS figures. Abt SRBI used data from the 2008 National Health Interview Survey and data from the 2006–2008 ACS for California both to estimate landline and cell phone service in California and to compare the data against landline and cell phone service reported in this survey. We also used voter registration data from the California Secretary of State to compare the party registration of registered voters in our sample to party registration in the state. The landline and cell phone samples were then integrated using a frame integration weight, while sample balancing adjusted for any differences across regional, age, gender, race/ethnicity, education, telephone service, and party registration groups.

The sampling error, taking design effects from weighting into consideration, is ± 3.6 percent at the 95 percent confidence level for the total sample of 2,005 adults. This means that 95 times out of 100, the results will be within 3.6 percentage points of what they would be if all adults in California

were interviewed. The sampling error for subgroups is larger: For the 1,338 registered voters, it is ± 3.9 percent; for the 989 likely voters, it is ± 4.3 percent. Sampling error is only one type of error to which surveys are subject. Results may also be affected by factors such as question wording, question order, and survey timing.

We present results for four geographic regions, accounting for approximately 90 percent of the state population. “Central Valley” includes Butte, Colusa, El Dorado, Fresno, Glenn, Kern, Kings, Madera, Merced, Placer, Sacramento, San Joaquin, Shasta, Stanislaus, Sutter, Tehama, Tulare, Yolo, and Yuba Counties. “San Francisco Bay Area” includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties. “Los Angeles” refers to Los Angeles County, and “Other Southern California” includes Orange, Riverside, San Bernardino, and San Diego Counties. Residents from other geographic areas are included in the results reported for all adults, registered voters, and likely voters, but sample sizes for these less populated areas are not large enough to report separately.

We present specific results for non-Hispanic whites and for Latinos, who account for about a third of the state’s adult population and who constitute one of the fastest growing voter groups. We also present specific results for Asians, who represent about 14 percent of the state’s adult population. Residents of other racial/ethnic groups—such as blacks and Native Americans—are included in the results reported for all adults, registered voters, and likely voters, but sample sizes for these groups are not large enough for separate analysis. We compare the opinions of registered Democrats, Republicans, and independents (those registered as “decline to state”). We also analyze the responses of likely voters—so designated by their responses to survey questions on voter registration, past voting, and current interest in politics.

The percentages presented in the report tables and in the questionnaire may not add to 100 due to rounding.

We compare current PPIC Statewide Survey results to those in our earlier surveys. Additional details about our methodology can be found at <http://www.ppic.org/content/other/SurveyMethodology.pdf> and are available upon request through surveys@ppic.org.

QUESTIONNAIRE AND RESULTS

CALIFORNIANS AND THEIR GOVERNMENT

May 17–24, 2011

2,005 California Adult Residents:
English, Spanish

MARGIN OF ERROR $\pm 3.6\%$ AT 95% CONFIDENCE LEVEL FOR TOTAL SAMPLE
PERCENTAGES MAY NOT ADD TO 100 DUE TO ROUNDING

1. First, thinking about the state as a whole, what do you think is the most important issue facing people in California today?
[code, don't read]
 - 57% jobs, economy
 - 11 state budget, deficit, taxes
 - 9 education, schools
 - 4 immigration, illegal immigration
 - 3 gas prices
 - 2 crime, gangs, drugs
 - 2 government in general
 - 2 health care, health costs
 - 7 other
 - 3 don't know
 2. Overall, do you approve or disapprove of the way that Jerry Brown is handling his job as governor of California?
 - 42% approve
 - 24 disapprove
 - 33 don't know
 3. Overall, do you approve or disapprove of the way that the California Legislature is handling its job?
 - 23% approve
 - 58 disapprove
 - 19 don't know
 4. Do you think things in California are generally going in the right direction or the wrong direction?
 - 29% right direction
 - 61 wrong direction
 - 10 don't know
 5. Turning to economic conditions in California, do you think that during the next 12 months we will have good times financially or bad times?
 - 34% good times
 - 58 bad times
 - 8 don't know
 6. Would you say that California is in an economic recession, or not? (*if yes: Do you think it is in a serious, a moderate, or a mild recession?*)
 - 47% yes, serious recession
 - 34 yes, moderate recession
 - 7 yes, mild recession
 - 10 no
 - 2 don't know
 7. Are you concerned that you or someone in your family will lose their job in the next year, or not? (*if yes: Are you very concerned or somewhat concerned?*)
 - 30% yes, very concerned
 - 18 yes, somewhat concerned
 - 45 no
 - 6 have lost job already (*volunteered*)
 - 1 don't know
- Next,
8. How closely are you following news about the California state budget—very closely, fairly closely, not too closely, or not at all closely?
 - 19% very closely
 - 42 fairly closely
 - 26 not too closely
 - 13 not at all closely
 - don't know

9. Do you think the state budget situation in California—that is, the balance between government spending and revenues—is a big problem, somewhat of a problem, or not a problem for the people of California today?

- 70% big problem
- 24 somewhat of a problem
- 4 not a problem
- 2 don't know

10. As you may know, the state government currently has an annual budget of around \$90 billion and faces a multibillion-dollar gap between spending and revenues. How would you prefer to deal with the state's budget gap—mostly through spending cuts, mostly through tax increases, through a mix of spending cuts and tax increases, or do you think that it is okay for the state to borrow money and run a budget deficit?

- 36% mostly through spending cuts
- 9 mostly through tax increases
- 40 through a mix of spending cuts and tax increases
- 8 okay to borrow money and run a budget deficit
- 3 other (*volunteered*)
- 4 don't know

11. When it comes to the tough choices involved in the state budget, both in deciding how much Californians should pay in taxes and how to fund state programs, whose approach do you most prefer—**[rotate]** [1] Governor Brown's, [2] the Democrats' in the legislature, **[or]** [3] the Republicans' in the legislature?

- 23% Governor Brown's
- 27 Democrats' in the legislature
- 24 Republicans' in the legislature
- 3 other (*specify*)
- 7 none (*volunteered*)
- 15 don't know

12. And when it comes to the tough choices involved in the state budget this year, would you prefer—**[rotate]** [1] that the governor and legislature make all of the decisions about spending and taxes; **[or]** [2] that California voters make some of the decisions about spending and taxes at the ballot box?

- 20% the governor and legislature make all of the decisions
- 77 California voters make some of the decisions
- 1 other (*specify*)
- 1 both (*volunteered*)
- 2 don't know

Tax increases could be used to help reduce the state budget deficit. For each of the following, please indicate whether you would be willing to pay higher taxes for this purpose, or not.

[rotate questions 13 to 16]

13. What if the state said it needed more money just to maintain current funding for K–12 public education? Would you be willing to pay higher taxes for this purpose, or not?

- 69% yes
- 29 no
- 1 don't know

14. What if the state said it needed more money just to maintain current funding for higher education? Would you be willing to pay higher taxes for this purpose, or not?

- 56% yes
- 42 no
- 2 don't know

15. What if the state said it needed more money just to maintain current funding for health and human services? Would you be willing to pay higher taxes for this purpose, or not?

- 57% yes
- 40 no
- 3 don't know

16. What if the state said it needed more money just to maintain current funding for prisons and corrections? Would you be willing to pay higher taxes for this purpose, or not?

- 19% yes
- 79 no
- 2 don't know

Spending cuts could be used to help reduce the state budget deficit. For each of the following, please indicate whether you support or oppose the proposal.

[rotate questions 17 to 20]

17. How about cutting spending on K–12 public education?

- 22% support
- 76 oppose
- 2 don't know

18. How about cutting spending on higher education?

- 30% support
- 68 oppose
- 2 don't know

19. How about cutting spending on health and human services?

- 31% support
- 66 oppose
- 3 don't know

20. How about cutting spending on prisons and corrections?

- 62% support
- 34 oppose
- 4 don't know

New revenue sources have been proposed to address the state budget deficit. For each of the following, please indicate whether you favor or oppose the proposal.

[rotate questions 21 to 24]

21. How about raising state personal income taxes?

- 38% favor
- 59 oppose
- 3 don't know

22. How about raising the state sales tax on all purchases?

- 25% favor
- 73 oppose
- 2 don't know

23. How about increasing the vehicle license fee?

- 34% favor
- 64 oppose
- 2 don't know

24. How about extending the state sales tax to services that are not currently taxed?

- 39% favor
- 54 oppose
- 7 don't know

25. In January the state faced a \$26 billion state budget deficit. Thus far, the governor and legislature have reduced the deficit by about \$11 billion, mostly through spending cuts. The governor proposes to close the remaining state budget deficit with higher-than-expected tax revenues and through temporary tax increases and additional spending cuts. His plan includes increased funding for K–12 public education and community colleges, and places about \$1 billion in reserve. In general, do you favor or oppose the governor's budget plan?

- 64% favor
- 30 oppose
- 5 don't know

26. Governor Brown has proposed having a special election this year for voters to vote on a tax and fee package to prevent additional state budget cuts. In general, do you think the special election is a good idea or bad idea?

- 68% good idea
- 27 bad idea
- 5 don't know

27. In a special election, voters would be asked to pass a tax and fee package that includes an extension of temporary increases—for five years—in the state sales tax and vehicle license fee, and beginning in 2012 a temporary increase—for four years—in state personal income taxes. If voters reject the proposal, additional cuts to services would be made. Do you favor or oppose this proposal?

- 41% favor
- 51 oppose
- 7 don't know

28. If voters reject the tax and fee package, additional cuts to services would be made. Overall, how concerned are you about the effects of spending reductions if the tax increases in the governor's budget plan are not passed—very concerned, somewhat concerned, not too concerned, or not at all concerned?

- 35% very concerned
- 44 somewhat concerned
- 13 not too concerned
- 7 not at all concerned
- 1 don't know

Fiscal reforms have been proposed to address the structural issues in the state budget and local budget issues. For each of the following, please say whether you think the proposal is a good idea or a bad idea.

[rotate questions 29 to 31]

29. How about strictly limiting the amount of money that state spending could increase each year?

- 72% good idea
- 24 bad idea
- 4 don't know

30. How about increasing the size of the state's rainy day fund and requiring above-average revenues to be deposited into it for use during economic downturns?

- 70% good idea
- 23 bad idea
- 7 don't know

31. How about replacing the two-thirds vote requirement with a 55-percent majority vote for voters to pass local special taxes?

- 54% good idea
- 40 bad idea
- 6 don't know

Changing topics,

[rotate blocks: (1) 32, 33, 34; (2) 35, 36, 37]

32. How much of the time do you think you can trust the state government in Sacramento to do what is right—just about always, most of the time, or only some of the time?

- 5% just about always
- 22 most of the time
- 65 only some of the time
- 7 none of the time (*volunteered*)
- 1 don't know

33. Would you say the state government is pretty much run by a few big interests looking out for themselves, or that it is run for the benefit of all of the people?

- 67% a few big interests
- 26 benefit of all of the people
- 7 don't know

34. Do you think the people in state government waste a lot of the money we pay in taxes, waste some of it, or don't waste very much of it?

- 54% a lot
- 39 some
- 5 don't waste very much
- 2 don't know

35. How much of the time do you think you can trust your local government to do what is right—just about always, most of the time, or only some of the time?

- 6% just about always
- 29 most of the time
- 58 only some of the time
- 5 none of the time (*volunteered*)
- 1 don't know

36. Would you say your local government is pretty much run by a few big interests looking out for themselves, or that it is run for the benefit of all of the people?

- 54% a few big interests
- 39 benefit of all of the people
- 8 don't know

37. Do you think the people in your local government waste a lot of the money paid in taxes, waste some of it, or don't waste very much of it?

- 38% a lot
- 43 some
- 15 don't waste very much
- 4 don't know

38. As you may know, many government services are delivered to California residents through a mix of state and local funding. Do you think that the relationship between state and local government is in need of major changes, minor changes, or is it basically fine the way it is?

- 52% major changes
- 32 minor changes
- 11 fine the way it is
- 5 don't know

39. Who do you think should have the most control in deciding how money from the state government is spent at the local level—[rotate] [1] local government [or] [2] the state government?

- 70% local government
- 25 state government
- 5 don't know

On another topic, California uses the direct initiative process, which enables voters to bypass the legislature and have issues put on the ballot—as state propositions—for voter approval or rejection.

40. In general, do you think it is a good thing or a bad thing that a majority of voters can make laws and change public policies by passing initiatives?

- 75% good thing
- 21 bad thing
- 4 don't know

41. Overall, do you think public policy decisions made through the initiative process by California voters are probably better or probably worse than public policy decisions made by the governor and state legislature?

- 62% probably better
- 23 probably worse
- 6 same (volunteered)
- 10 don't know

41a. Do you think the citizens' initiative process in California is in need of major changes, minor changes, or that it is basically fine the way it is?

- 39% major changes
- 37 minor changes
- 18 fine the way it is
- 5 don't know

Reforms have been suggested to address issues that arise in the initiative process. Please say whether you would favor or oppose each of the following reform proposals.

[rotate questions 42 to 45]

42. How about increasing public disclosure of funding sources for signature gathering and initiative campaigns?

- 80% favor
- 15 oppose
- 5 don't know

43. How about increasing the number of signatures required to qualify an initiative for the ballot?

- 55% favor
- 39 oppose
- 6 don't know

44. How about having a period of time in which the initiative sponsor and the legislature could meet to see if there is a compromise solution before initiatives go to the ballot?

- 81% favor
- 16 oppose
- 4 don't know

45. How about only allowing initiatives in November general elections, instead of in any statewide election, such as primaries or special elections?

- 57% favor
- 35 oppose
- 7 don't know

46. Next, some people are registered to vote and others are not. Are you absolutely certain that you are registered to vote in California?

- 68% yes *[ask q46a]*
- 32 no *[skip to q47b]*

46a. Are you registered as a Democrat, a Republican, another party, or are you registered as a decline-to-state or independent voter?

- 44% Democrat *[ask q47]*
- 31 Republican *[skip to q47a]*
- 4 another party *(specify) [skip to q48]*
- 21 independent *[skip to q47b]*

47. Would you call yourself a strong Democrat or not a very strong Democrat?

- 54% strong
- 44 not very strong
- 2 don't know

[skip to q48]

47a. Would you call yourself a strong Republican or not a very strong Republican?

- 52% strong
- 42 not very strong
- 6 don't know

[skip to q48]

47b. Do you think of yourself as closer to the Republican Party or Democratic Party?

- 26% Republican Party
- 45 Democratic Party
- 22 neither *(volunteered)*
- 7 don't know

48. Next, would you consider yourself to be politically:

[read list, rotate order top to bottom]

- 10% very liberal
- 22 somewhat liberal
- 31 middle-of-the-road
- 23 somewhat conservative
- 13 very conservative
- 3 don't know

49. Generally speaking, how much interest would you say you have in politics?

- 21% great deal
- 40 fair amount
- 31 only a little
- 8 none
- don't know

[d1-d16: demographic questions]

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The institute's research focuses on the underlying forces shaping California's future, cutting across a wide range of public policy concerns, including economic development, education, environment and resources, governance, population, public finance, and social and health policy.

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Mark Baldassare is President and CEO of PPIC.

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