

THE FIELD POLL

THE INDEPENDENT AND NON-PARTISAN SURVEY
OF PUBLIC OPINION ESTABLISHED IN 1947 AS
THE CALIFORNIA POLL BY MERVIN FIELD

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EXAMINING CALIFORNIA VOTER VIEWS ABOUT TAXES, GOVERNMENT SPENDING AND PROPOSITION 13.

By Mark DiCamillo and Mervin Field

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A new survey by *The Field Poll* explores the views of California voters about taxes, government spending and the state's landmark property tax reduction amendment, Proposition 13.

The study, completed among 1,000 California registered voters in early April, was developed in collaboration with Professor Carl Stempel, of the California State University, East Bay as part of the CSU-Field Faculty Fellowship Program.

The survey's main findings include the following:

- By a 54% to 35% margin, most California voters say they prefer lower taxes and fewer government services to higher taxes and more government services. Opinions are highly partisan. Democrats prefer higher taxes with more government services, 51% to 36%, but Republicans overwhelmingly favor lower taxes with fewer government services, 81% to 13%.
- Voters are divided when asked about the overall level of government spending in California. About four in ten voters (39%) support holding overall government spending at about current levels. Another one in three (34%) favor reducing overall spending levels, while 24% prefer increasing them.
- However, when voters are asked whether state and local government spending in each of six specific program areas should be increased, reduced or left the same, there is much less support for spending reductions. Only small proportions of voter (between 8% and 15%) support less state and local government spending on the k-12 schools, mental health, road and highway building and repair, and law enforcement and police. In the case of k-12 schools and mental health, majorities favor increased government spending. In the case of road and highway building and repair, and law enforcement and police, pluralities support keeping spending at current levels. Voters are divided when asked about government spending on environmental protection and public assistance programs.

- Varying proportions of voters can correctly answer three questions about the tax provisions contained in California's landmark Proposition 13 property tax reduction amendment. A 42% plurality of voters is aware that the Prop. 13 tax reductions apply to both residential and commercial property; 53% understand that Prop. 13 requires a two-thirds majority of the votes in an election to increase local taxes; and 68% know that more recent homeowners living in similar homes in the same neighborhood generally pay higher property taxes than homeowners who have lived in their homes for longer periods. In each case, between 15% and 24% of voters volunteer that they don't know the correct answer, while between 17% and 34% give an incorrect reply.
- About half of voters (49%) say they generally support the idea of changing parts of Prop. 13, while 34% are opposed and 17% are undecided.
- There is strong bipartisan support for changing one aspect of Prop. 13. This relates to the fact that, because of the complexities in the way businesses and commercial properties are sold, their properties are not always reassessed when ownership is transferred. By a 69% to 17% margin, voters endorse changing this so that the property taxes of businesses and commercial properties are always reset and based on their current assessed value whenever they are sold or transferred.
- Only a minority of voters (39%) supports the idea of reducing Prop. 13's two-thirds majority vote requirement to increase local taxes to a 55% majority.

Note to Editors: See attached *California Opinion Index* report for a more detailed accounting of the data referenced in this report.

Information About The Survey

Methodological Details

The findings in this report are based on a *Field Poll* completed March 18-April 5, 2014 among a random sample of 1,000 registered voters in California. Professor Carl Stempel of California State University, East Bay collaborated with *The Field Poll* to develop the questions for this series as part of the CSU-Field Faculty Fellowship Program.

Interviewing was conducted by telephone using live interviewers working from Field Research Corporation's central location telephone interviewing facilities in San Diego. Up to six attempts were made to reach, screen and interview each randomly selected voter from the state's registered voter rolls on different days and times of day during the interviewing period.

Interviewing was completed on either a voter's cell phone or a regular landline phone, depending on the source of the telephone listing from the voter file. In this survey about 59% of all voters were contacted on their cell phone, while 41% were contacted on a regular landline phone. After the completion of interviewing, the overall registered voter sample was weighted to demographic, geographic and party registration characteristics of the state's registered voter population.

Sampling error estimates applicable to the results of any probability-based survey depend on sample size as well as the percentage distribution being examined. The maximum sampling error for results from the overall sample is +/- 3.2 percentage points at the 95% confidence level. The maximum sampling error is based on results in the middle of the sampling distribution (i.e., percentages at or near 50%). Percentages at either end of the distribution (those closer to 10% or 90%) have a smaller margin of error. There are other potential sources of error in surveys besides sampling error. However, the overall design and execution of the survey sought to minimize these other possible errors.

The Field Poll was established in 1947 as *The California Poll* by Mervin Field, who is still an active advisor. The *Poll* has operated continuously since then as an independent, non-partisan survey of California public opinion. The *Poll* receives annual funding from media subscribers of *The Field Poll*, from several California foundations, and the University of California and California State University systems, who receive the data files from each *Field Poll* survey shortly after its completion for teaching and secondary research purposes.

Questions Asked

In general would you rather pay higher taxes and have more government services or pay lower taxes and have fewer government services?

Some people say we should cut government spending in California because government can spend less and still provide the same level of services. Others say government spending in California was cut too much during the recession and we need to increase funding for many important government services. Still others say we should keep government spending at about the same level until the state's financial condition is more secure. Which do you agree with the most – the 1st statement, the 2nd statement or the 3rd statement? (IF CUT SPENDING:) Do you agree very strongly, strongly or not too strongly that we should cut government spending?

I am going to read some of the areas of state and local government spending. As I read each, please tell me whether you think state and local government should be spending more, less or about the same than it's currently spending in this area. (READ ITEMS IN RANDOM ORDER, ASKING:) Should state and local government be spending more, less or about the same for: (a) building and repairing roads and highways; (b) the k-12 schools; (c) mental health; (d) law enforcement and police; (e) public assistance programs; (f) environmental protection?

When people talk about taxes in California they often bring up the topic of Proposition 13, which voters approved back in 1978 that reduced property taxes across the state. To your knowledge, did the property tax changes brought about by Proposition 13 apply to homeowners, to businesses and commercial property owners, or to both?

To your knowledge, under Proposition 13 what percentage of the votes in an election are required to increase local taxes – a 50% majority, 55%, 60% or two-thirds of the votes?

Some people say that we should not change Proposition 13 because they feel it keeps property taxes and government spending under control. Others want to change parts of Proposition 13 because they feel it has loopholes, causes legislative gridlock and places an unfair tax burden on some taxpayers. Who do you agree with more – those who do not want to change Prop. 13 or those who want to change parts of Prop. 13?

Do you think most homeowners who live in similar homes in the same neighborhoods pay about the same amount of property taxes or do those who bought their homes more recently generally pay more?

Because of complexities in the way businesses and commercial properties are sold, they, unlike residential properties, are not always reassessed when ownership is transferred. Do you favor or oppose changing Prop. 13 to insure that when business and commercial properties are sold or transferred, their property taxes are reset and based on their current assessed value?

Under Proposition 13 it takes two-thirds of the voters in an election to raise local taxes? Do you favor or oppose reducing Prop. 13's two-thirds vote requirement to 55%?

A digest summarizing California voter opinions about *Taxes, Government Spending, and Proposition 13*

April 2014

Findings in Brief

- By a 54% to 35% margin, most California voters say they prefer lower taxes and fewer government services to higher taxes and more government services. Opinions are highly partisan. Democrats prefer higher taxes with more government services, 51% to 36%, but Republicans overwhelmingly favor lower taxes with fewer government services, 81% to 13%.
- Voters are divided when asked about the overall level of government spending in California. About four in ten voters (39%) support holding overall government spending at about current levels. Another one in three (34%) favor reducing overall spending, while 24% prefer increasing them.
- However, when voters are asked whether state and local government spending in each of six specific program areas should be increased, reduced or left the same, there is much less support for spending reductions. Only small proportions of voter (between 8% and 15%) support less state and local government spending on the k-12 schools, mental health, road and highway building and repair, and law enforcement and police. In the case of k-12 schools and mental health, majorities favor increased government spending. In the case of road and highway building and repair, and law enforcement and police, pluralities support keeping spending at current levels. Voters are divided when asked about government spending on environmental protection and public assistance programs.
- Varying proportions of voters can correctly answer three questions about the tax provisions contained in California's landmark Proposition 13 property tax reduction amendment. A 42% plurality of voters is aware that the Prop. 13 tax reductions apply to both residential and commercial property; 53% understand that Prop. 13 requires a two-thirds majority of the votes in an election to increase local taxes; and 68% know that more recent homeowners living in similar homes in the same neighborhood generally pay higher property taxes than homeowners who have lived in their homes for longer periods. In each case, between 15% and 24% of voters volunteer that they don't know the correct answer, while between 17% and 34% give an incorrect reply.
- About half of voters (49%) say they generally support the idea of changing parts of Prop. 13, while 34% are opposed and 17% are undecided.
- There is strong bipartisan support for changing one aspect of Prop. 13. This relates to the fact that, because of the complexities in the way businesses and commercial properties are sold, their properties are not always reassessed when ownership is transferred. By a 69% to 17% margin, voters endorse changing this so that the property taxes of businesses and commercial properties are always reset and based on their current assessed value whenever they are sold or transferred.
- Only a minority of voters (39%) supports the idea of reducing Prop. 13's two-thirds majority vote requirement to increase local taxes to a 55% majority.

A majority of California voters prefers lower taxes and fewer government services over higher taxes and more government services

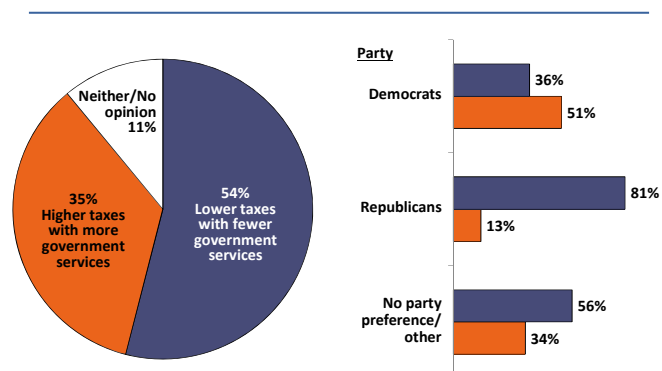
When California voters are asked whether they generally prefer lower taxes and fewer government services or higher taxes and more government services, more favor lower taxes and fewer government services. Statewide, 54% prefer this alternative, while 35% would support higher taxes with more government services.

Opinions about this are highly partisan. California Democrats prefer higher taxes with more government services to lower taxes and fewer services 51% to 36%. However, Republicans overwhelmingly prefer lower taxes and fewer government services, 81% to 13%.

Voters with no party preference or who are registered a minor party also prefer lower taxes and fewer government services, 56% to 34%.

Table 1

Voter preferences regarding lower taxes and fewer government services or higher taxes with more government services



Note: In this and succeeding tables, differences between 100% and the sum of the proportion of Democrats, Republicans and no-party-preference voter categories equal proportions with no opinion.

No consensus among voters about whether state government spending should be more, less or the same

Voters are divided when asked about the overall level of government spending in California. About four in ten voters (39%) support holding overall spending at about current levels. Another one in three (34%) favor spending less, while 24% prefer increasing overall spending levels.

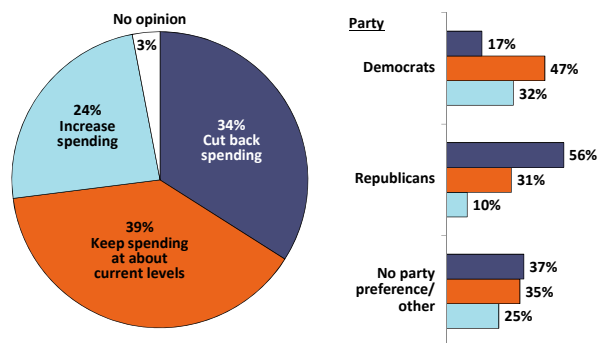
Views about government spending levels divide sharply along partisan lines. Among Democrats, a plurality (47%) favors keeping overall spending at current levels, while another 32% support spending more. Just 17% favor reducing overall spending.

By contrast, a majority of Republicans (56%) supports cutting back spending. Another one in three (31%) favors keeping overall spending at about current levels, while just one in ten (10%) supports increasing government spending in this context.

Non-partisans divide 37% in favor of spending less, 35% holding spending at about current levels, and 25% support increasing spending levels.

Table 2

Voter views on what the overall levels of government spending in California should be



Little voter support for reducing government spending in specific areas

Voters were asked their views about whether government spending in each of six areas should be increased, reduced or left the same. In this context relatively few voters advocate spending reductions.

For example, a large majority of voters (62%) supports spending more for the k-12 schools, while just 10% favors spending less. Another 27% prefer holding spending about the same.

Mental health is another area where a majority supports spending more and there is little appetite for spending less. Statewide, 55% of voters favor greater spending in this area, while just 8% think spending for mental health should be reduced. One in three (33%) would keep spending at about current levels.

Few voters also back reducing state and local spending on road and highway building and repair (10%) or law enforcement and

police (15%). Most voters either favor spending more or keeping spending about the same in these two program areas.

There is less agreement when voters are asked about government spending on environmental protection and public assistance programs. In each case a plurality supports holding spending to about current levels, but sizable proportions advocates either spending more or spending less.

Table 3a

Voter preferences regarding state and local government spending in specific areas

	State and local government spending in specific areas			
	Spend more	Spend about the same	Spend less	No opinion
K-12 schools	62%	27	10	1
Mental health	55%	33	8	4
Road and highway building and repair	44%	44	10	2
Law enforcement and police	33%	51	15	1
Environmental protection	30%	43	25	2
Public assistance programs	28%	36	33	3

Democrats back spending more or the same across all 6 areas; Republicans less willing to spend more, but few support spending less in 4 of the 6 areas

There are significant differences in the views that Democrats and Republicans have about state and local government spending in these six program areas.

For example, large majorities of Democrats support spending more for the k-12 schools (75%) and mental health (68%), and just 4% favor spending less in each area.

A 51% majority of Democrats also favors spending more for road and highway building and repair, while just 12% back spending reductions. Another 40% would keep spending in this area at about current levels.

Few Democrats also support spending less on environmental protection (11%) and public assistance programs (18%). In each case most of the Democrats favor spending more or keeping spending levels about the same.

Republicans are generally less willing to favor increasing government spending than their Democratic counterparts. However, few Republicans favor spending cutbacks in four of the six program areas tested – k-12 schools, mental health, road and highway building and repair, and law enforcement and police. In each of these areas pluralities of Republican favor keeping spending about the same, about one in three favor spending more and fewer than one in five favor spending less.

More Republicans do favor spending less in the two areas. A 60% majority of Republicans favor reduced government spending on public assistance programs and a 47% plurality favors spend-

ing less on environmental protection. Most of the rest favor holding the line on spending in these areas, and relatively few favor spending increases.

Table 3b

Voter preferences regarding state and local government spending in specific areas – by party

	Democrats			Republicans		
	Spend more	About the same	Spend less	Spend more	About the same	Spend less
K-12 schools	75%	20	4	38%	39	19
Mental health	68%	25	4	34%	46	14
Road and highway building and repair	51%	40	12	35%	51	11
Law enforcement and police	37%	48	14	31%	51	16
Environmental protection	42%	45	11	10%	40	47
Public assistance programs	39%	40	18	10%	28	60

Voters’ knowledge of key tax provisions in California’s landmark Proposition 13 property tax reduction amendment varies

Voters in this survey were asked three questions to test their knowledge of the tax provisions contained in California’s landmark Proposition 13 property tax reduction amendment approved by voters in June 1978. They included: (1) whether Prop. 13’s tax reductions applies to both residential and commercial property or only to one or the other; (2) whether homeowners living in similar homes in the same neighborhoods pay similar amounts of property taxes as a result of Prop. 13 ; and (3) what percentage of the votes cast in an election are required to increase local taxes under Prop. 13.

The proportions of voters able to answer correctly varies somewhat across the three questions. The smallest proportion of voters (42%) knows the Prop. 13 tax reductions applies to both residential and commercial property. Slightly more than half (53%) understand that Prop. 13 requires a two-thirds majority of votes cast in an election to increase local taxes. And, greater than two in three (68%) know that more recent homeowners living in similar homes in the same neighborhood generally pay more than homeowners who have been living there for longer periods. In each case, between 15% and 24% of voters volunteer that they don’t know the correct answer, while between 17% and 34% give an incorrect reply.

There are relatively few differences in voter knowledge of Prop. 13 between Democrats and Republicans on these questions.

Table 4
Voter knowledge of Proposition 13’s tax provisions:
(1) Did Prop. 13 reduce taxes on of both residential and commercial property or just one or the other

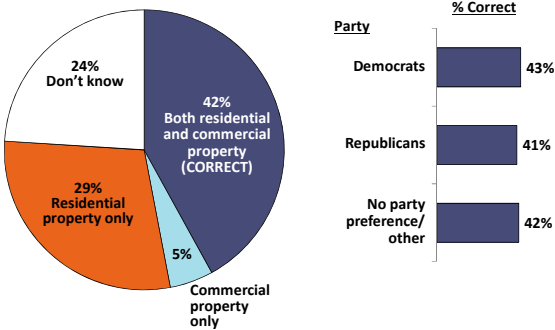


Table 5
Voter knowledge of Proposition 13’s tax provisions:
(2) As a result of Prop. 13, do homeowners living in similar homes in the same neighborhood pay similar amounts of property taxes or do more recent buyers generally pay more

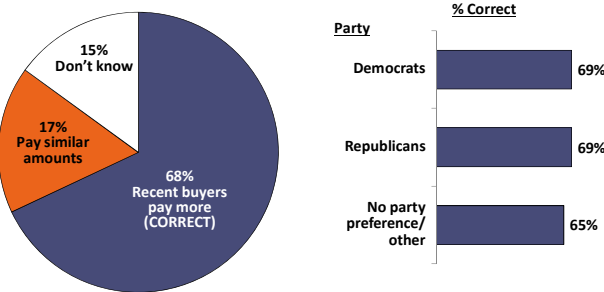
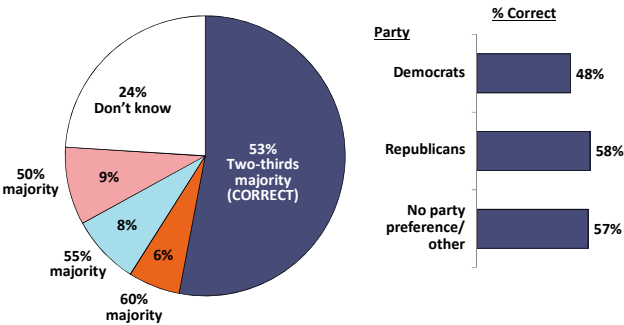


Table 6
Voter knowledge of Proposition 13’s tax provisions:
(3) As a result of Prop. 13, what percentage of votes cast in an election are required to increase local taxes



About half of voters generally support the idea of changing parts of Prop. 13

When California voters are asked in a general way whether or not they would favor changing parts of Prop. 13, about half (49%) say they would support the idea, 34% are opposed and another 17% are undecided.

However, there are sizable differences in opinion about this by party registration, as well as between homeowners and renters.

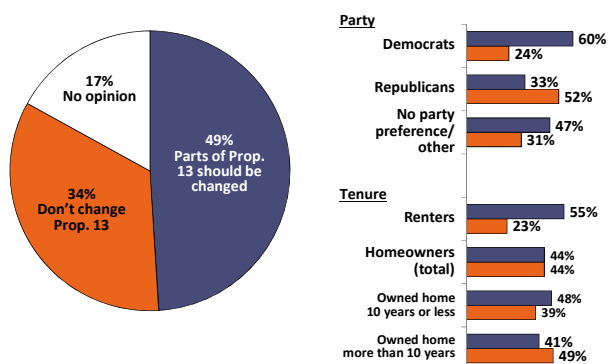
Democrats and non-partisans are much more open to changing parts of Prop. 13 than Republicans. Among Democrats a greater than two-to-one

majority (60% to 24%) supports making changes to the law. Among non-partisans, a 47% to 31% plurality favors changing Prop. 13. By contrast, Republicans are opposed 52% to 33%.

Renters back the idea of changing parts of Prop. 13 greater than two to one (55% to 23%). While homeowners are evenly divided on the matter, there are differences depending on when the homeowner bought their home. More recent homebuyers (i.e., those who purchased their home within the past 10 years) support the idea of changing Prop. 13 48% to 39%. On the other hand, homeowners who purchased their homes more than 10 years ago oppose changing Prop. 13 49% to 41%.

Table 7

Voter preferences as to whether or not parts of Proposition 13 should be changed



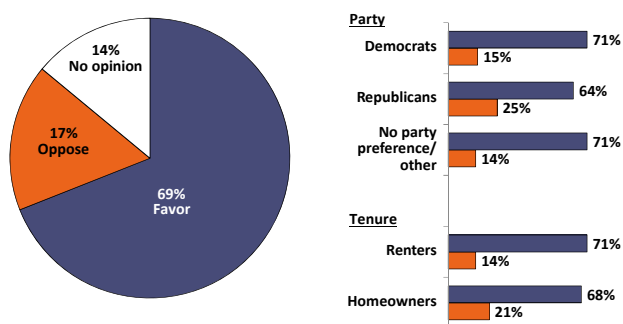
One Prop. 13 change endorsed by 69% of voters

There is strong bipartisan support for changing one aspect of Prop. 13. This relates to the fact that, because of the complexities in the way businesses and commercial properties are sold, their properties are not always reassessed when ownership is transferred. By a four-to-one margin (69% to 17%), voters endorse changing this so that the property taxes of businesses and commercial properties are always reset at their current assessed value whenever they are sold or transferred.

Greater than seven in ten Democrats (71%) and nearly two in three Republicans (64%) back making this change.

Table 8

Change Prop. 13 to ensure that when business and commercial properties are sold or transferred, their property taxes are reset and based on their current assessed value



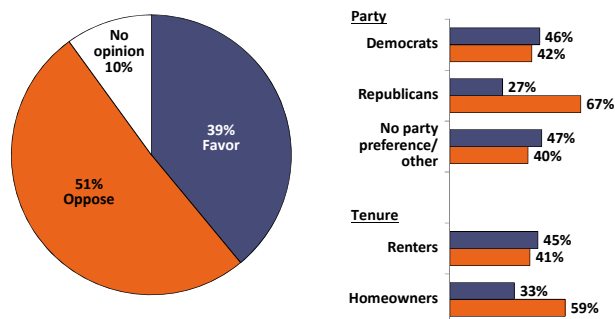
Just 39% support changing Prop. 13's two-thirds majority vote requirement to increase local taxes

Only a minority of voters supports the idea of reducing Prop. 13's two-thirds majority vote requirement to increase local taxes. Less than four in ten voters (39%) favors reducing the vote needed to raise local taxes from two-thirds to a 55% majority. This compares to slightly more than half of voters (51%) who oppose making this change.

There are big differences in views about this by party and by homeownership status. Narrow pluralities of Democrats and non-partisans support this proposal. By contrast, Republicans are strongly opposed 67% to 27%. Similarly, while a narrow plurality of renters backs the idea, homeowners are opposed 59% to 33%.

Table 9

Reduce Prop. 13's two-thirds majority vote requirement to a 55% majority to increase local taxes



About the Survey

The results contained in this report are based on a Field Poll survey completed among a representative sample of 1,000 registered voters in California. The survey was conducted by telephone in English and Spanish, March 18-April 5, 2014. The questions in this survey were developed in collaboration with Professor Carl Stempel, Department of Sociology and Social Sciences at California State University, East Bay, as part of the CSU-Field Faculty Fellowship Program.

The statewide sample was developed from telephone listings of individual voters selected randomly from a listing of statewide voter registration rolls. Once a voter's name and telephone had been selected, interviews were attempted only with the specified voter. Interviews were completed on either the voter's landline or cell phone, depending on the source of the telephone listing from the voter file and the preference of the voter. After the completion of interviewing the overall registered voter sample was weighted to Field Poll estimates of the characteristics of all registered voters in California by region, age, gender and party registration.

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