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February 28, 2012

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**POLL: Voters Back Mix of Spending Cuts & Tax Increases to Balance Budget,
Voters Say Budget Cuts Directly Impact Them**

*Weigh in on the budget debate yourself! Newly revamped nonpartisan California
Budget Challenge launches today*

San Francisco- A totally revamped and updated California Budget Challenge, a nonpartisan budget simulation tool, goes live online today as a new poll pinpoints the budget balancing strategies most California voters favor.

The poll, commissioned by the nonpartisan organization [Next 10](#) and conducted by the Field Research Corporation, shows that a majority of California voters (52 percent) back an equal mix of spending cuts and tax increases in order to balance the state's budget shortfall, which stands at more than \$9 billion. The poll also found that a majority of those surveyed (71 percent) say that the cumulative budget cuts made in Sacramento since 2009 directly impact their families.

"Californians know that budget decisions can have a profound impact on their everyday lives, but many lack the time and resources to track or influence the debate," said F. Noel Perry, founder of Next 10. "Right now, state leaders looking to balance the budget are considering strategies that will impact our pocketbooks, health care, human services and education. Next 10 is going live today with our new California Budget Challenge so that citizens can have a voice in shaping our state's budget priorities."

The newly revamped California Budget Challenge (www.budgetchallenge.org), an online nonpartisan budget simulator that allows users to create their own California budget, boasts new interactive social networking features and touch-screen capability.

"The Next 10 California Budget Challenge is a great way for residents to engage on some of the tough choices being presented to solve the state budget shortfall," said Los Angeles Mayor Antonio Villaraigosa. "My office worked successfully with Next 10 to develop our Los Angeles Budget Challenge, and were very pleased with the results. I encourage all Californians to visit the new tool at www.budgetchallenge.org and create their own budget for the Golden State."

The new Challenge also now includes many more of the real-world budget policy options that lawmakers are currently debating in Sacramento—like a possible increase in the state sales tax, an increase in income taxes for high earners, possible cuts to higher education and K-12, possible cuts to state childcare services and In-



Home Supportive Services, as well as possible changes to pension and retiree health benefits for state workers.

“It’s important for lawmakers and the Governor, who are making decisions about taxes and state programs, to hear from voters,” said Carol Whiteside, the former mayor of Modesto and former Director of Intergovernmental Affairs under Governor Pete Wilson. “So often, hardworking Californians are shut out of the political process because they lack access to our state leaders. The California Budget Challenge gives voters a direct line to Sacramento.”

Next 10 Poll Findings

“It is clear that Californians feel a sense of urgency about the budget shortfall, otherwise we would not expect to see the level of support for tax increases that we are recording in this poll,” said Field Poll Director Mark DiCamillo. “Voters also expressed support for spending cuts in general—but not to education, the state’s largest budgetary expenditure.”

Recognizing that the state’s budget deficit for next year tops out at more than \$9 billion:

- 41 percent of those polled favor keeping per-student spending at current levels.
- 30 percent favor increasing spending on education by \$2.5 billion.
- 17 percent favor cutting education spending by \$2.4 billion, even if it means cutting the length of the school year.

When polled on policy choices for the Income Tax that are similar to what is presented in the California Budget Challenge, voters support plans for increasing taxes on higher income earners to address the budget shortfall:

- 40 percent favor increasing income tax rates by 3 percent on individuals making over \$1 million a year, and upping taxes 5 percent for individuals earning over \$2 million a year.
- 25 percent support increasing income tax rates by one-half of 1 percent on individuals making 250 thousand dollars or more.
- 20 percent favor keeping income tax rates stable.
- 9 percent want to see a quarter of a percentage point increase in income taxes for all earners.

Looking at options presented in the Budget Challenge on the Sales Tax, 55 percent of voters selected to increase the sales tax in some fashion versus 39 percent who wanted to leave as is:

- 39 percent favor keeping the current sales tax rate.
- 30 percent support extending the sales tax to some services that are not currently taxed.



- 25 percent favor a one-half cent increase.

To weigh in on the budget debate, go to www.budgetchallenge.org and share **your** budget priorities with friends, family and state leaders via email, Twitter and Facebook. The new California Budget Challenge is accessible to the blind, and can be accessed on mobile devices and tablets. Since it first launched eight years ago, more than 300,000 Californians have taken the Challenge in college classrooms, at voter engagement events, and in the privacy of their own homes.

Poll Sample Details:

The findings of this poll are based on a telephone survey of California registered voters by Field Research Corporation for Next 10. The survey included a random sample of 1003 registered voters in California, and was completed in English and Spanish from February 2-18, 2012. Results have a margin of error of +/- 3.1 percent at the 95 percent confidence level.

A complete copy of the questions asked and detailed tabulations of the survey results can be found at www.next10.org

Bloggers:

Need a colorful graphic/button to link to the new California Budget Challenge online? Contact Roxanna Smith at 323.466.2491 or Christina Haro at 415.453.0430

Media interviews with Noel Perry of Next 10 and Mark DiCamillo of the Field Research Corporation may be arranged by contacting Cater Communications at 323.466.2491

Next 10 is an independent, nonpartisan organization focused on innovation and the intersection of the economy, the environment, and quality of life issues for all Californians. Next 10 funds research by leading experts on complex state issues.