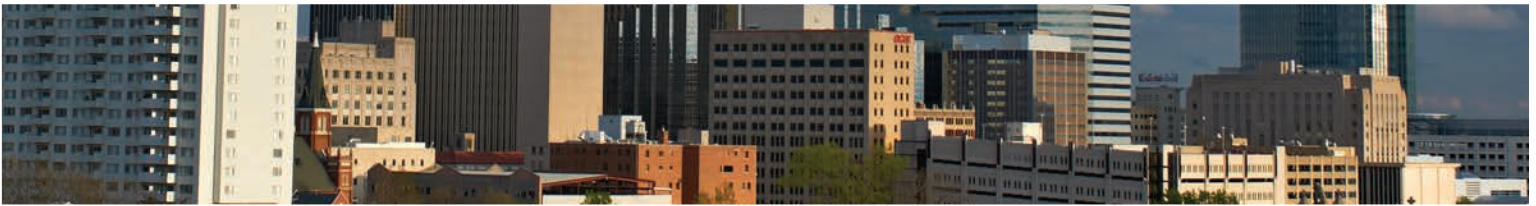
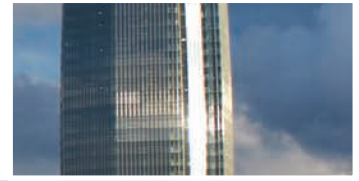


# SOONER SURVEY

*Cole Hargrave  
Snodgrass & Associates*



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## Voters on Budget Shortfall: No Easy Answers

*Cutting Wind Incentives and Accepting Federal Funds for Medicaid Expansion are Only Actions a Majority of Voters Support*

*By: Pat McFerron, President, Cole Hargrave Snodgrass and Associates, Inc.*

While the capitol and those around state government are a buzz about the state's budget circumstance, it has not reached a fever pitch among voters. In fact, **only 41% of the states registered voters categorize their current understanding of the budget situation as a "significant shortfall" while 21% believe the budget is either on track or running a surplus.** While 59% of registered Republicans say a shortfall exists, only 33% classify it as significant. On the other hand, 65% of Democrats acknowledge a shortfall and 46% say it is "significant."

When voters are given three approaches to solving the shortfall, it becomes clear raising taxes is not an option. Only 14% of voters prefer this approach, while 41% support across the board cuts, and 37% would prefer deeper cuts to non-education aspects of the budget so education could be held harmless. These numbers are fairly consistent across gender, age and income levels. Even on a partisan level we see similarities. Among Republicans,



11% would raise taxes, 43% would cut all programs and 36% would cut areas other than education. Among Democrats, only 16% would raise taxes, 41% would cut all programs and 36% would cut areas other than education.

The perilous position of elected leaders is best exemplified in voters' reluctance to embrace any substantial cuts to the programs which comprise most of the state budget.

(Story continued on page 2)

**When voters are given six different options for addressing, though not solving, the budget shortfall, they embrace only two: accepting federal funds which would expand Medicaid while providing funding for the health care of prisoners and mental health patients, as well as ending tax incentives for wind energy.** Of these two, accepting federal funds enjoys the greatest support (57%), while cutting wind incentives is favored by 51% of voters.

The four other options provided are all rejected by voters. Only 39% oppose undoing the recently enacted tax cut, roughly the same percentage that supports cutting transportation funding (37%). Only 17% support cutting education funding and only 14% would cut prison or public safety funding.

Despite the wrangling we often see at the capitol, Republicans and Democrats are really not much different on these issues. Members of both parties reject raising the income tax (Republicans 33% favor, 59% oppose; Democrats 43% favor, 49% oppose), and both oppose cutting education (Republicans 22% favor, 74% oppose; Democrats 13% favor, 83% oppose).

We do see a little difference between the parties when it comes to taking \$40 million in available federal funds to cover health care for inmates and mental health patients even with an expansion of Medicaid as Republicans slightly lean against this (42% favor, 46% oppose) and Democrats fully embrace this (71% favor, 22% oppose). **A challenge for Republicans is that this issue divides their members. While those Republicans in households with annual incomes less than \$75,000 oppose this, the 37% of Republicans living in households with incomes greater than that amount, 60% favor taking the federal funds and only 32% hold the opposite view.**

We also see a partisan difference when it comes to wind incentives. Republicans are much more eager to cut those incentives (56% favor vs. 35% oppose) than are registered Democrats (43% favor vs. 44% oppose).

Solving the budget situation will take real leadership. The public would simply prefer the problem goes away. A majority of voters do not see the state in a crisis and they see few, if any programs, they would cut. And raising taxes, at least income or property, are not viable options.

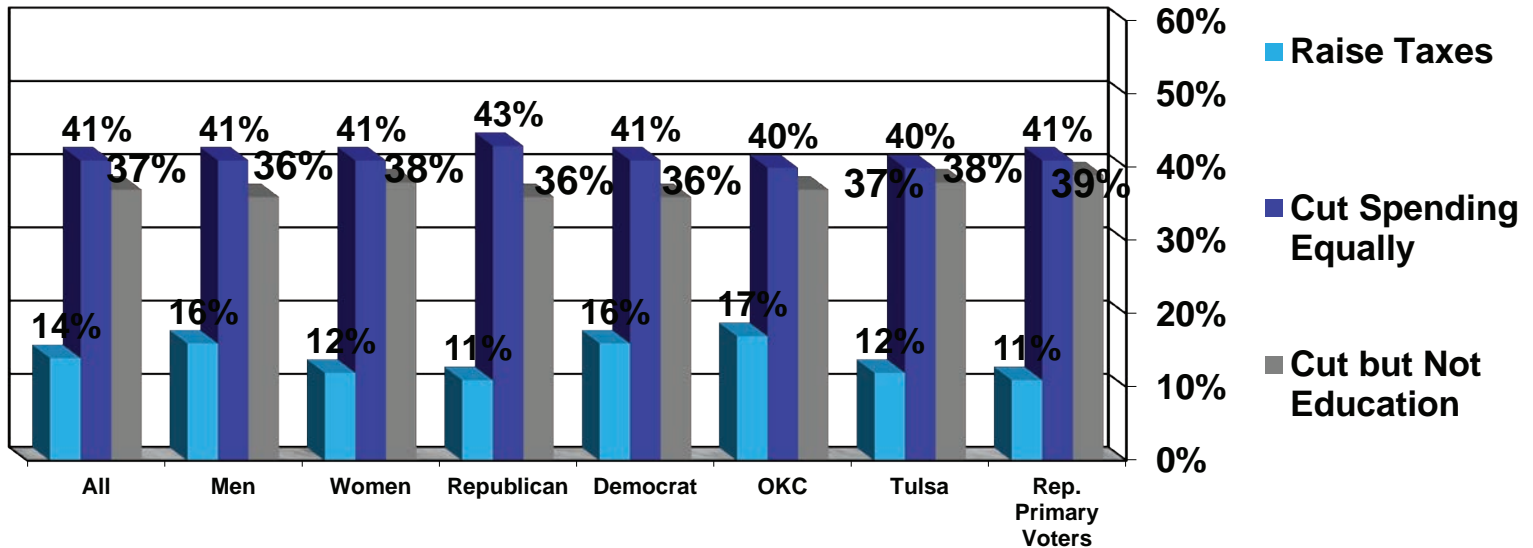
# Budget Shortfall Survey Questionnaire

1. Now thinking about the budget for the state of Oklahoma this year, which of the following is your understanding?
  - The state has a significant budget shortfall..... 41%
  - The state has a budget shortfall, but it is not significant ..... 22%
  - The state budget is on track to fund what it has in the past ..... 8%
  - The state has a budget surplus, but it is not significant ..... 9%
  - The state has a significant budget surplus ..... 4%
  - Undecided ..... 16%
  
2. It has been estimated the state budget will have a \$611 million shortfall this year. Which of the following ways do you think is the best way to maket the budget balance?
  - Raise taxes ..... 14%
  - Cut spending roughly equally across the board a small amount ..... 41%
  - Cut spending significantly among everything except education and keep it from being cut ..... 37%
  - Undecided..... 8%

Now I want to read you a short list of possible ways the state could help balance the state budget. For each one, please tell me if you would favor or oppose using that option as a way to balance the state budget. Remember, none of these alone would balance the budget.

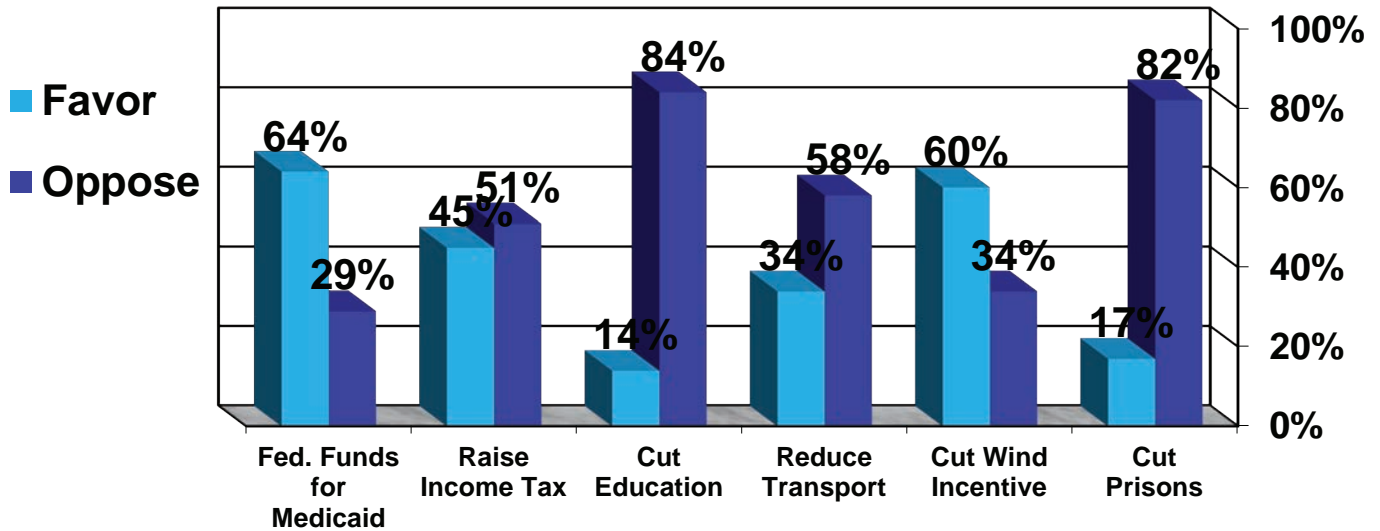
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| <p>3. Raise income taxes back to where they were in previous years.</p> <p>Favor ..... 39%</p> <p>Oppose ..... 53%</p> <p>Undecided ..... 8%</p>  | <p>6. Eliminate tax incentives for the wind energy industry.</p> <p>Favor ..... 51%</p> <p>Oppose ..... 39%</p> <p>Undecided ..... 10%</p>  |
| <p>4. Cut education funding which makes up more than half of the state budget.</p> <p>Favor ..... 17%</p> <p>Oppose ..... 80%</p> <p>Undecided ..... 3%</p>   | <p>7. Reduce funding for prisons and corrections, even if it means releasing repeat and violent offenders early.</p> <p>Favor ..... 14%</p> <p>Oppose ..... 82%</p> <p>Undecided ..... 4%</p> |
| <p>5. Accept available federal funds for expanding Oklahoma’s Medicaid program. Doing so would cut the state’s budget shortball by more than \$40 million because the federal government would immediately start paying for some health care for inmates and those receiving mental health services that the state currently has to pay for.</p> <p>Favor ..... 57%</p> <p>Oppose ..... 34%</p> <p>Undecided ..... 9%</p> | <p>8. Reduce funding for transportation projects.</p> <p>Favor ..... 37%</p> <p>Oppose ..... 52%</p> <p>Undecided ..... 10%</p>   |

## How to Balance the Budget?



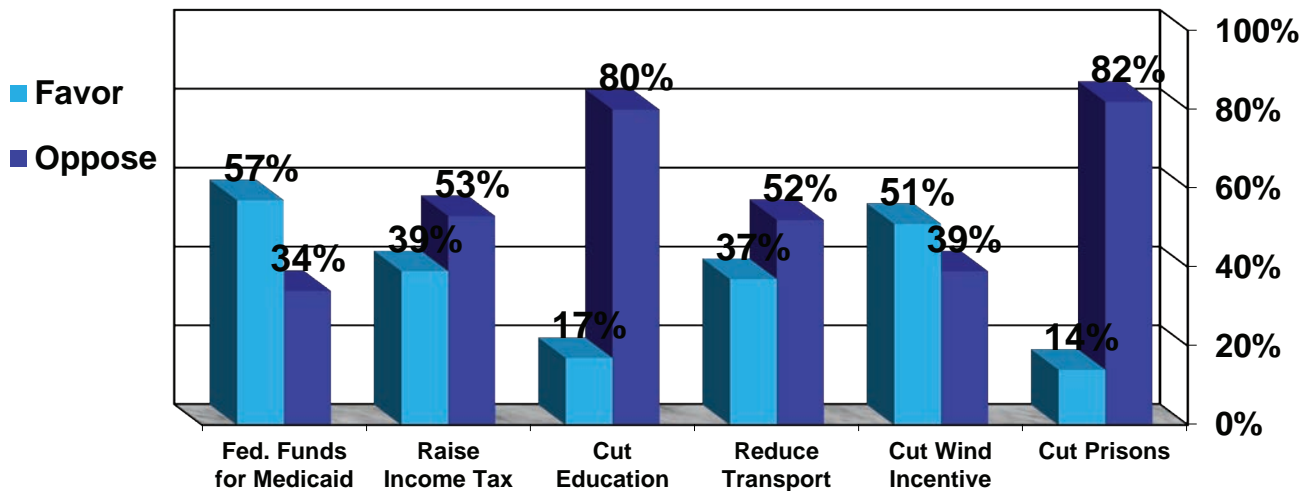
# What Do You Want to Do About the Budget?

## - All Voters



# What Do You Want to Do About the Budget?

## - Income Over \$75K



During his more than 20 years with Cole Hargrave Snodgrass & Associates, Pat McFerron has supervised polling and telephone voter contact programs in more than 40 states – including polling for numerous successful gubernatorial, U.S. Senate, congressional and legislative clients throughout the nation. McFerron has been the pollster for all of the recent successful OKC initiatives, including Big League City, MAPs for Kids and MAPs 3, as well as Oklahoma’s historic right-to-work effort and many other state questions. McFerron also oversees marketing research projects for CHS clients who range from Fortune 100 companies to non-profits, universities and entrepreneurial start-ups.

This edition of Sooner Survey was taken March 15-19, 2015. It was a telephone survey of 500 registered voters in Oklahoma, including those on mobile lines. The confidence interval associated with this sample is that 95% of the time, the results are within 4.3% of the true values.

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