



## MEMORANDUM

To: Working Families Party  
From: Kiley & Company  
Date: December 3, 2008  
RE: Key Findings from Statewide Voter Survey

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### Introduction

*This memo summarizes the key findings from our recently completed survey of 600 registered voters in New York State voters. The survey was conducted by telephone between November 23-25, 2008. The average interview required 22 minutes to complete. The margin of error is +/- 4.0%.*

### Key Findings

- Voters' economic outlook is decidedly negative. Four-in-five voters (79%) rate the economy in their part of the state as being in "not-so-good" or "poor shape," and seven-in-ten (71%) believe current economic conditions either will remain the same or worsen in the coming year.
- The electorate regards the state's current budget problems as a critical concern; more than four-in-five voters describe the state of the budget as either a "real crisis" (41%) or a "very serious" problem (45%).
- When asked initially about how to close the state's budget gap, voters favor making "major cuts in state spending" (55%) over "making some cuts in state spending and increasing some taxes" (38%).

- However, voters express very strong opposition to many of the most serious spending cuts the state would be forced to consider if it were to try to balance the budget without any increase in tax revenue.

When asked whether the state should “seriously consider” a list of budget proposals in order to close the budget gap, or should “definitely not consider taking that step,” between 60% and 75% of all voters said Albany should “definitely not” consider any of the following steps:

- *Reducing the amount the state would reimburse hospitals for services provided under the Medicaid program (60% say “definitely do not take that step”)*
  - *Reducing state funding for Medicaid and other health care services by \$1.7 billion over the next year and a half (65%)*
  - *Cutting state aid to public schools by \$1.4 billion over the next year and a half (75%).*
- New York voters express widespread support for increasing income tax rates on upper-income households as a way to help avoid the most drastic proposed spending cuts. By a margin of 75% to 23%, voters say they favor “increasing personal income tax rates on households making more than \$200,000 a year, as a way to help close the state’s budget gap.”
  - The proposed increase enjoys widespread support throughout the state; 78% of New York City voters; 67% of Suburban voters; 87% of Upstate East and 70% of Upstate West voters favor increasing tax rates on upper-income households. A majority of Democrats (84%), independents (75%) and Republicans (63%) also back the proposal.
  - Support for this approach to the state’s budget crisis remains solid even after voters hear arguments on the other side of the issue. Voters were read the following question:

Q. Let me mention two different viewpoints about dealing with the state’s budget gap:

Governor Paterson says New York must make painful cuts in state spending in order to balance the budget, and cannot afford to raise taxes. The Governor says the state is facing its worst financial crisis since the Great Depression, and raising taxes now would just drive more businesses and jobs away, making a bad economic situation even worse. Governor Paterson says we have to solve this budget crisis with spending cuts alone.

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Other state leaders say there is no realistic way to balance the budget with spending cuts alone, and that we have to consider combining spending cuts with some increases in state taxes. They say there needs to be shared sacrifices by all New Yorkers, and the state should consider increasing personal income tax rates on the wealthiest New Yorkers – those making over \$200,000 a year – in order to balance the budget without making devastating spending cuts.

Which of these two approaches are you more inclined to agree with – balancing the budget: **(ROTATE)** through spending cuts alone OR through a combination of spending cuts and an increase in taxes on wealthier New Yorkers?

By a margin of 71% to 26%, voters side with the “combination” approach to the crisis rather than the “spending cuts alone” approach.

- Support for the combination approach over the spending-cuts-alone approach holds up across regional and party lines:

	<u>Combination</u>	<u>Spending cuts alone</u>
<i>New York City</i>	76%	18
<i>Suburbs</i>	66	30
<i>Upstate East</i>	77	21
<i>Upstate West</i>	61	39
<i>Democrats</i>	81	16
<i>Independents</i>	70	26
<i>Republicans</i>	56	42

- Among the arguments in support of a tax increase on upper-income households that voters found most persuasive were the following:

- *If it comes down to a choice between laying off hospital workers, increasing the wait time in emergency rooms and reducing the number of assistants in nursing homes OR passing an income tax increase on the wealthiest New Yorkers, it makes more sense to pass the income tax increase. (58% of voters say this is a “very convincing” reason to support an income tax increase)*
- *New York currently taxes people at the same rate whether they make \$20,000 or \$2 million. Setting a slightly higher tax rate for the highest income levels would make New York’s tax system more fair and progressive. (55% “very convincing)*

- *This tax increase would affect less than 5% of all households in the state – only those who make more than \$200,000 a year. (52% “very convincing”)*
  
- *The wealthiest New Yorkers have seen their income tax rates cut in half over the last 30 years; they can afford to pay slightly more now to help get the state out of the economic crisis we are in. (52% “very convincing”)*