

EPIC ▪ MRA Statewide Michigan Poll – January 2007
[FREQUENCY REPORT of SURVEY RESPONSES – 600 SAMPLE – ERROR ±4.0%]

__03. How about in Michigan – is our state generally headed in the right direction, or, are things pretty seriously off on the wrong track?

21% Right direction
67% Wrong track
12% Undecided/don't know/refused

__04. Now I am going to read a list of national problems or issues people say they are most concerned about. After I read the whole list, please tell me which one problem or issue you are personally concerned about the most? (**READ 01 TO 10--TAKE 1ST REPLY--ROTATE LIST**)

26% The war in Iraq
22% Improving the economy and providing jobs
12% Making health care affordable and accessible to everyone.
12% Protecting America from terrorism
7% Improving education
5% Promoting morality and family values
5% Reducing the federal budget deficit
3% Keeping taxes low
3% Protecting our air and water
2% Controlling crime and drugs
2% More than one [ASK] "But which problem concerns you the most?"
1% Undecided/don't know

__05. How satisfied are you with the current condition of Michigan's economy – very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied?

1% very satisfied
16% somewhat satisfied
17% Total SATISFIED
32% somewhat dissatisfied
51% very dissatisfied
83% Total DISSATISFIED

__06. Over the past several months, has the Michigan economy improved, gotten worse or remained pretty much the same?

4% Improved
53% Gotten worse
41% Remained pretty much the same
2% Undecided/don't know/refused

__07. In a year from now, will Michigan's economy be better, worse, or about the same?

28% Better
 26% Worse
 35% About the same
 11% Undecided/don't know/refused

Now, I would like to read a list of several political figures. For each one, please tell me if you recognize the name, and whether you have a favorable or unfavorable opinion of that person. The first name is __? **[IF FAVORABLE/UNFAVORABLE]** Would that be very or generally?

NAME	Not recognize	<u>FAVORABLE</u>			<u>UNFAVORABLE</u>			undec
		VERY	GEN	Total	GEN	VERY	Total	
_09 Jennifer Granholm	—%	22%	33%	55%	21%	20%	41%	4%

__16. Overall, how would you rate the job being done by Jennifer Granholm as Michigan's Governor – would you give her a positive rating of excellent or pretty good, or a negative rating of just fair or poor?

9% excellent
 41% pretty good
50% Total POSITIVE
 28% just fair
 20% poor
48% Total NEGATIVE
 2% Undecided/don't know

Turning to another state issue...

__39. Over the past several years, there have been more than \$3 billion in state budget cuts in funding for programs and services in Michigan. How aware were you of how much the state budget has been cut – very aware, somewhat aware, only a little aware or not aware at all?

31%	very aware
35%	somewhat aware
66%	Total AWARE
20%	only a little aware
14%	not aware at all
34%	Total LITTLE/NOT AWARE
—%	Undecided/don't know

__40. To what extent have you and your family felt the impact of the \$3 billion state budget cuts in programs and services that have been made? Have you and your family felt the impact of state budget cuts a lot, some, only a little or not really at all?

15%	A lot	
23%	Some	
22%	Only a little	
38%	Not really at all	GO TO Q. 42
2%	Undecided/don't know	GO TO Q. 42

__41. How have you or your family felt the impact of state budget cuts? **[WRITE COMMENT AS STATED]**

19%	Education/schools	4%	Depressed morale
10%	Roads	3%	Park fees
8%	Cut services	2%	Local taxes
8%	Financially	2%	Reduced business
8%	Health services	2%	Tuition increase
7%	Job loss	1%	Decrease park hours
5%	Increased fees	21%	Undecided/don't know

__42. Michigan has a budget deficit for the current fiscal year of more than \$800 million. Do you consider Michigan's current budget deficit to be in a crisis situation, or, would you say that Michigan's budget situation is not that bad yet?

72%	Yes, it is in a crisis situation
21%	No, it is not that bad yet
7%	Undecided/don't know

__43. Do you believe that state government has made as many cuts in state programs and services as it can, and must now consider raising taxes and/or fees to reduce the negative impact of those budget cuts, or, do you think the current budget problems can be resolved with budget cuts alone without having a negative impact on programs and services?

- 43% Most possible budget cuts have been made -- now tax or fee increases must be considered
 40% Budget can be balanced without a negative impact on important programs by making cuts
 17% Undecided/don't know

__44. In order to balance the state budget and eliminate an \$800 million budget deficit, Governor Granholm and the Legislature will have to either cut the state budget by reducing state programs and services, increase taxes and fees, or do a combination of both. What do you think they should do – only cut the state budget, only increase taxes, or, do a combination of both?

- | | | |
|-----|--------------------------|-------------------------------------|
| 21% | Only cut the budget | ASK Q. 45 - THEN GO TO Q. 47 |
| 8% | Only raise taxes | GO TO Q. 46 |
| 67% | Do a combination of both | ASK Qs 45 <u>AND</u> 46 |
| 4% | Undecided/don't know | GO TO Q. 47 |

__45 a – c. What one or two cuts in the state budget do you think should be made to balance the budget? **[WRITE COMMENT AS STATED FOR UP TO THREE RESPONSES – THEN GO TO Q. 47 UNLESS OTHERWISE INSTRUCTED IN Q. 44]]**

- | | | | |
|----|------------------|-----|----------------------|
| 9% | Legislature | 2% | Roads |
| 9% | Social services | 1% | Business development |
| 7% | Administration | 1% | Detroit money |
| 7% | State employees | 1% | Medicaid |
| 5% | Cut waste | 1% | Revenue sharing |
| 3% | Corrections | 1% | State police |
| 3% | Education | 1% | Teacher benefits |
| 2% | Across the board | 1% | Travel |
| 2% | DNR | 1% | Other |
| | | 44% | Undecided/don't know |

__46 a – c What one or two taxes or fees should be increased to provide the revenue to balance the state budget? **[WRITE COMMENT AS STATED FOR UP TO THREE RESPONSES]**

- | | | | |
|-----|-------------------------|-----|----------------------|
| 13% | Sales tax | 3% | Business tax |
| 10% | Alcohol | 3% | Luxury tax |
| 9% | Cigarette | 2% | License plates |
| 8% | Income tax | 2% | Property tax |
| 7% | Gas tax | 2% | Road tolls |
| 4% | Hunting/fishing license | 2% | Service tax |
| 4% | Recreation fees | 1% | Gambling/casino tax |
| 4% | Usage fees | 25% | Undecided/don't know |

_47. Under one proposal to balance the state budget with a tax increase, the state sales tax would be kept at its current rate of 6 cents paid on each dollar spent purchasing items, not including food or drugs, but the state sales tax would be expanded so it would apply to several services that are currently exempt. Based on what you know or have heard or read about the proposal to apply the state sales tax to some services, do you favor or oppose the proposal? **[IF FAVOR/OPPOSE, ASK]** Would that be strongly or somewhat?

10% strongly favor
 27% somewhat favor
37% Total FAVOR
 17% somewhat oppose
 26% strongly oppose
43% Total OPPOSE
 20% Undecided/don't know

According to studies from the Michigan Department of Treasury, exemptions in current state law from the 6 percent state sales tax could potentially provide up to \$8 billion in revenue per year. As previously mentioned, food and drugs are exempt from the sales tax and no one has proposed that they be taxed. However, several specific service items currently exempt from the state sales could be taxed, including the following:

[ROTATE Qs 48 TO 50]

_48. Consumer spending on professional, scientific and technical services are currently exempt from the state sales tax. If such services as car and home repairs, hair cuts and other professional, scientific and technical services were taxed at the 6 percent rate, it would add roughly \$1.1 billion per year in revenue for the state. Based on what you know or have heard or read about this idea, would you favor or oppose this proposal? **[IF FAVOR/OPPOSE, ASK]** Would that be strongly or somewhat?

18% strongly favor
 30% somewhat favor
48% Total FAVOR
 15% somewhat oppose
 32% strongly oppose
47% Total OPPOSE
 5% Undecided/don't know

_49. Spending on arts, entertainment and recreation is currently exempt from the state sales tax. Adding these services would add about \$140 million per year in state revenues. Would you favor or oppose this proposal? **[IF FAVOR/OPPOSE, ASK]** Would that be strongly or somewhat?

31% strongly favor
 35% somewhat favor
66% Total FAVOR
 12% somewhat oppose
 19% strongly oppose
31% Total OPPOSE
 3% Undecided/don't know

__50. Copyrighted motion pictures, films, newspapers, and periodicals are exempt from the state sales tax. Adding these items to the state sales tax would raise about \$100 million per year in revenue. Would you favor or oppose this proposal? **[IF FAVOR/OPPOSE, ASK]** Would that be strongly or somewhat?

30%	strongly favor
37%	somewhat favor
67%	Total FAVOR
12%	somewhat oppose
19%	strongly oppose
31%	Total OPPOSE
2%	Undecided/don't know

__51. Under an alternative proposal, the sales tax would be expanded to include the items I just described, but the state sales tax rate would be reduced from 6 to 5 cents. If the state sales tax were reduced from 6 to 5 cents as part of a proposal to apply the sales tax to the services I described, but not including food or drugs, would you favor or oppose this proposal? **[IF FAVOR/OPPOSE, ASK]** Would that be strongly or somewhat?

27%	strongly favor
28%	somewhat favor
55%	Total FAVOR
12%	somewhat oppose
27%	strongly oppose
39%	Total OPPOSE
6%	Undecided/don't know