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FOR IMMEDIATE RELEASE

November 17, 2005

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Survey Reveals Broad Support for County Services

Voters Place High Value on Health Care, Public Safety and Disaster Preparedness

SAN JOSE, CALIF.— A survey of County voters reveals broad support for County services. Last May, the County of Santa Clara Board of Supervisors authorized the survey after determining that the County is facing a continuing structural budget deficit due to State impacts and the local economy. Simply stated, a structural budget deficit means that the current methods used to finance county government are inadequate to cover the cost to maintain the current level of services. The purpose of the survey was to “test the waters” to determine if voters would consider supporting an increase to the sales tax, if needed, and what services and programs were deemed important to warrant such a measure.

“It’s very encouraging that the community puts high value on crucial County services and is concerned about drastic cuts,” said Board Chair Supervisor Liz Kniss. “We are reluctant to consider new taxes, but we are running out of options to address the structural deficit in the County’s budget.”

The County has cut nearly \$640 million from its budget during the past three years using a number of strategies such as eliminating vacant positions, freezing hiring, offering early retirement to eligible employees and reducing services. This year the County Executive’s initial budget proposal recognizes the impacts of these recent reductions and once again relies on the use of one-time funds to bring the budget into balance.

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“We’ve already exhausted many of the creative options for balancing the budget,” said County Executive Pete Kutras. “It is becoming increasingly more difficult to maintain much needed basic services.”

One question interviewers asked County voters was: If the election were held today, would you vote *yes* to approve or *no* to oppose a measure that reads:

Shall the County of Santa Clara enact a (“one quarter cent”/ “one half cent”) sales tax for general county purposes including but not limited to operations such as: providing trauma and emergency services; keeping County hospital and clinics open; providing prevention programs for at-risk youth, families and seniors; and improving County Expressways?

One-half of the respondents in the survey of 800 voters was asked about an increase of $\frac{1}{4}$ cent in the sales tax, the other half was asked about an increase of $\frac{1}{2}$ cent in the sales tax. The survey results reveal broad support for either a $\frac{1}{4}$ cent increase (64% strong yes and lean yes) or $\frac{1}{2}$ cent increase (63% strong yes and lean yes) in the sales tax to avoid further cuts in County services. A $\frac{1}{4}$ cent sales tax would generate up to approximately \$82 million annually in Santa Clara County beginning in 2008, and a $\frac{1}{2}$ cent tax would generate up to \$164 million.

“The survey shows that the public clearly values services for health care, emergencies, and abused and neglected children,” said Supervisor James Beall, who proposed the survey. “After four years of budget cutbacks, totaling over \$600 million dollars, the crisis we are now in is finding funds for those critical services people strongly believe in.”

The telephone survey was conducted by a public opinion research firm, Evans /McDonough Company, Inc., based in Oakland. The survey sampled 800 likely voters distributed throughout the county, between October 23 and October 30. Professional interviewers were used. Interviews were offered in English and Spanish. The Margin of Error (MoE) is +/-3.5%. The sample was split: 400 asked about the $\frac{1}{4}$ cent increase and 400 asked about the $\frac{1}{2}$ cent increase. MoE for both groups is 4.9%, a confidence level of 95%.

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Survey Results

The recent telephone poll of voters in Santa Clara County clearly identified strong support for maintaining and even improving services provided by County government. Services such as disaster preparedness, health insurance for the uninsured, fighting crime, improving emergency response times and keeping Valley Medical Center hospital and clinics open are all seen as important to a majority of voters in the area. While voters are pessimistic and continue to be concerned about the economy, a majority is willing to support an increase in the local sales tax in order to avoid massive cuts.

Key Findings:

- Voters in Santa Clara County continue to be somewhat pessimistic about the area with 47% saying things are generally “headed in the right direction” while 32% say things are “seriously off on the wrong track.” This voter malaise has been consistent since the economic downturn in ’02 and is in significant contrast to attitudes in the late ‘90’s when over 65% felt things were headed in the right direction.
- Also in contrast to the late ‘90’s, voter top of mind concerns are much more varied today. From 1997 to 2001, voters consistently mentioned traffic and transportation as their top concerns. Today there is no one issue that jumps to the forefront, but education, the economy, traffic, housing, taxes, growth and crime are all mentioned by many voters as top of mind concerns.
- Despite, or maybe because of, concerns about the economy, voters in Santa Clara County continue to see an important role for County government and the services it provides:
 - 78% rate maintaining the county’s capacity to respond to a natural disaster as a priority
 - 76% rate fighting crime as a priority
 - 71% agree: Significantly cutting County services will cause serious problems for our community
 - 79% rate providing health insurance for uninsured children as important
 - 86% rate providing services to neglected and abused children as important;
 - 81% rate controlling the spread of communicable disease as important
 - 77% rate improving emergency response times as important
- Voters feel very strongly about the importance of Valley Medical Center hospital and clinics:
 - 86% agree: It is important to keep Valley Medical Center Hospital and its clinics open because they provide health care to County residents who would otherwise have no where to go.

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- 77% agree: it is important to provide medical care to everyone. If some people can't get health care then we are all in more danger because diseases can spread more rapidly.
- 84% rate keeping the County hospital and clinics open as important
- 83% rate maintaining trauma and emergency services as important
- Given these findings, it is little surprise that a majority of voters in the county are willing to consider a sales tax increase to fund County services such as:
 - Providing trauma and emergency services;
 - Keeping the County hospital and clinics open;
 - Providing prevention programs for at-risk youth, families and seniors; and,
 - Improving the County Expressways,
- The poll found no statistical difference in response to a ¼ cent tax increase in comparison to response to a ½ cent tax. Half of the survey sample was asked about a ¼ cent tax and initial reaction was 64% at least leaning in support (59% strong Yes and 5% Lean Yes). The other half of the sample was asked about a ½ cent tax with 63% indicating support (58% Yes and 5% Lean Yes).

Conclusion

No decision has been made about whether to proceed with a ballot measure. Findings will be presented to the Board's Finance and Government Operations Committee in January, and later to the full Board for review. The discussions will take place in public meetings to ensure a fully transparent process.

Please direct questions concerning the survey methodology or findings to Ruth Bernstein at Evans/McDonough Company – 510-844-0680, ext. 312

Attachments

- Graphic Presentation of Survey Results (20 pages)

Also Available upon request

- Presentation of Opinion Research (Crosstabs 183 pages)

Background

Santa Clara County's current sales tax rate is 8.25%. Rates in neighboring counties include Alameda, 8.75%; San Mateo, 8.25%; San Francisco, 8.50%; Contra Costa, 8.25%; Monterey, 7.25%.

Senate Bill SB566 (Scott) was signed into law in 2003 giving cities and counties the authority to increase their local sales tax in increments of ¼ cent up to a new cap of 9.25%. Under that law, a two-thirds vote of the electorate is required if the tax is a special tax (i.e. with a specified expenditure plan) or a majority vote for a general purpose tax.