

The Star-Ledger/Eagleton-Rutgers Poll

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RELEASE INFORMATION

A story based on the survey findings presented in this release and background memo will appear in Sunday's *Star-Ledger*. Other newspapers may also use this information in their Sunday editions. Electronic media may release after 5:00 P.M. Saturday, May 16, 1992. We ask users to properly attribute this copyrighted information to "*The Star-Ledger/Eagleton Poll*."

NEW JERSEYANS' VIEWPOINT ON THE SALES TAX REPEAL

The legislation to roll back the state sales tax from 7 to 6 percent that was passed by the New Jersey State Legislature is waiting for Governor Jim Florio's approval or veto. There is not a clear consensus on the decision New Jerseyans would like the Governor to take — only slightly more state residents want the Governor to approve rather than veto the rollback. Overall, about 6-in-10 New Jerseyans disapprove of the tax repeal if it results in a reduction of services. However, a majority agree that it is possible to cut 600 million dollars from the state budget without reducing services.

A majority of state residents disapprove of a variety of possible cutbacks that could be used to make up the reduction in state revenue. The options rejected by the largest majority are reducing state aid to local communities, rejecting aid to keep college and university tuition from rising above 4.5 percent, and eliminating the transitional school aid funding to suburban communities.

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ATTENTION RADIO STATIONS:

Audio is available after 5:00 P.M. on Saturday, May 16, 1992, from (908)932-3605 (Rutgers Feature Phone).

In the latest *Star Ledger*/Eagleton Poll, conducted by telephone with 800 New Jersey adults between April 22 and 30, 1992, about 6-in-10 view the homestead rebate, as a program that is needed to provide property tax relief, compared to about 1-in-3 who think it is a political gimmick.

STATE SALES TAX ROLLBACK

Overall, 66 percent of New Jersey residents "strongly" (46%) or "mildly" (20%) approve of the state sales tax rollback, while 29 percent "strongly" (16%) or "mildly" (13%) disapprove. However, there is a 33 point drop in approval when the repeal is connected to a reduction in state services. When service cutbacks are mentioned, 33 percent say they "strongly" (19%) or "mildly" (14%) approve of the sales tax repeal compared to 59 percent who "strongly" (42%) or "mildly" (17%) disapprove. Overall, these percentages are basically the same as the January 1992 poll, except for an 8 point increase (from 34% to 42%) in the percentage of people who "strongly" disapprove of the sales tax rollback if there is a reduction in services.

Although this change in the intensity of disapproval cuts across all three partisan groups, there is a 12 point increase in "strong" disapproval among independents (from 36% to 48%), a 10 point increase among Democrats (37% to 47%) and a 7 point change among Republicans (from 28% to 35%).

An important issue related to the repeal of the sales tax increase, is the ability to maintain current state programs and services with a reduction in revenues. Half of the state's residents think this can be accomplished compared to 40 percent who say it can not and 9 percent who do not know if important state programs and services can be retained if there is a sales tax rollback.

Overall, slightly more New Jerseyans favor having Governor Jim Florio sign the legislation enacting the rollback than want him to veto this bill. Forty-nine percent say the Governor should approve the rollback and 43 percent would like to see this legislation vetoed.

While about 6-in-10 Republicans would like to have the rollback approved by the Governor, Democrats (42% veto vs. 44% approve) and independents (47% veto vs. 45% approve) are equally

divided on the action they would like the Governor to take. "The final destiny of the sales tax rollback bill will have a direct impact on state budget planning. From the public's perspective, this involves the difficult task of achieving a delicate balance between a reduction in revenue without a cutback in services," commented Janice Ballou, Director of the Poll. "New Jerseyans are divided on whether or not this balance can be achieved."

AWARENESS AND ASSESSMENT OF OPTIONS FOR PROGRAM AND SERVICE REDUCTIONS

A variety of different options for reductions in state services and programs have been outlined to compensate for the decrease in state revenue that would result from the sales tax rollback. Among the eight options state residents were asked to assess, a majority have read or heard about only two — changes in the Homestead Rebate Program (56%) and rejecting aid to colleges and universities that would be used to keep tuition from rising beyond 4.5 percent (51%). Less than half have read or read of the option to reduce state aid to local communities (47%) and to reduce financial support for public transportation (43%). About 1-in-3 New Jerseyans are aware of possible reductions in state aid for the arts (36%), a re-evaluation of the public employee pension program (35%), and the elimination of the transitional school aid funding to suburban communities (35%).

Overall, a majority of New Jerseyans disapprove of using seven of the eight options that were suggested to hold down state spending. About 6-in-10 disapprove of reducing aid to local communities (67%), rejecting aid to colleges and universities to keep tuition down (64%), eliminating transitional school aid funding to suburban communities (62%), reducing financial support for public transportation (59%), and eliminating some aid to the cities (57%). Half disapprove of a reduction in state aid for the arts (51%) and changes in the homestead rebate program (50%). Fewer residents disapprove of the option to reduce expenses by re-evaluating the public employee pension program (38%).

About 6-in-10 New Jerseyans feel that the Homestead Rebate Program is needed to provide property tax relief compared to 36 percent who think this program is a "political gimmick." Democrats

(69%) are more likely to say the Homestead Rebate Program is needed for property tax relief than Republicans (54%) or independents (50%).

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BACKGROUND MEMO — RELEASE SL/EP38-3 (EP88-3), SUNDAY, MAY 17, 1992

The latest *Star-Ledger*/Eagleton Poll was conducted between April 22 and April 30, 1992, when a random sample of 800 New Jerseyans, 18 years and older, was interviewed by telephone. Figures based on this sample size are subject to a sampling error of about ± 3.5 percent at a 95 percent confidence interval. Sampling error is the probable difference in results between interviewing everyone in the population versus a scientific sample taken from that population. Sampling error does not take into account other possible sources of error inherent in any study of public opinion. The questions and figures referred to in this release are presented below. The location of each question on the actual questionnaire is in brackets.

"The Republicans who were elected to the legislature passed a bill to rollback the state sales tax from 7 to 6 percent. Overall, do you approve or disapprove of this state sales tax rollback? (PROBE: Do you mildly or strongly (approve/disapprove) of the roll back?)" [Q.15]

	<u>Strongly Approve</u>	<u>Mildly Approve</u>	<u>Mildly Disapprove</u>	<u>Strongly Disapprove</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
April, 1992	46%	20%	13%	16%	5%	100%	(800)
<i>Party ID</i>							
--Democrat	46	18	9	21	6	100	(220)
--Independent	42	21	16	18	3	100	(314)
--Republican	51	21	13	9	6	100	(238)

PAST SURVEYS

January, 1992	46	23	13	15	4	101	(800)
<i>Party ID</i>							
--Democrat	41	28	10	19	2	100	(193)
--Independent	46	19	14	17	3	99	(350)
--Republican	46	25	13	11	5	100	(225)

"Rolling back the state sales tax will create an estimated 600 million dollar deficit in the state budget. Do you approve or disapprove of the sales tax rollback if it results in a reduction of services due to budget cuts? (PROBE: (Strongly or mildly?)" [Q.16]

	<u>Strongly Approve</u>	<u>Mildly Approve</u>	<u>Mildly Disapprove</u>	<u>Strongly Disapprove</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
April, 1992	19%	14%	17%	42%	8%	100%	(800)
<i>Party ID</i>							
--Democrat	15	11	19	47	8	100	(220)
--Independent	15	12	16	48	9	100	(314)
--Republican	26	18	15	35	6	100	(238)

PAST SURVEYS

January, 1992*	20	15	25	34	7	101	(800)
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Party ID

--Democrat	14	13	26	37	10	100	(193)
--Independent	21	14	26	36	4	101	(350)
--Republican	25	18	22	28	7	100	(225)

"Do you think it is or is not possible to cut 600 million dollars from the state budget without reducing important state services and programs?" [Q.17]

	<u>Is Possible To Cut Budget Without Reducing Services</u>	<u>Is Not Possible To Cut Budget Without Reducing Services</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
April, 1992	51%	40%	9%	100%	(800)

Party ID

--Democrat	46	46	8	100	(220)
--Independent	51	39	10	100	(314)
--Republican	55	34	11	100	(238)

"The Governor has the option of vetoing the sales tax rollback. Do you think the Governor should veto the rollback or should he approve the rollback?" [Q.18]

	<u>Should Veto Rollback</u>	<u>Should Approve Rollback</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
April, 1992	43%	49%	9%	101%	(800)

Party ID

--Democrat	42	44	14	100	(220)
--Independent	47	45	8	100	(314)
--Republican	38	57	6	101	(238)

*January, 1992 question wording was, "Rolling back the state sales tax may cause a budget deficit that could result in a reduction of state services. Do you approve or disapprove of the sales tax rollback if it results in a reduction of services? (PROBE: Mildly or strongly?)

"There are several different proposals that are being discussed to make up the state revenue that will be lost from the sales tax rollback. Have you read or heard about the proposal (READ ITEM)?" [Q.19]

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
To make changes in the Homestead Rebate Program	56%	43%	1%	100%	(800)

To reject aid to colleges and universities that would be used to keep tuition from rising beyond 4.5%	51	48	1	100	(798)
To reduce state aid to local communities	47	52	1	100	(798)
To eliminate some aid to the cities	43	56	--	99	(799)
To reduce financial support for public transportation	40	59	1	100	(799)
To reduce state aid for the arts	36	64	1	101	(799)
To re-evaluate the public employee pension program	35	64	1	100	(800)
To eliminate the transitional school aid funding to suburban communities	35	62	3	100	(798)

"Do you approve or disapprove of (READ ITEM) to make up the revenue that will be lost from the sales tax rollback?" [Q.19a]

	<u>Approve</u>	<u>Disapprove</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
<u>To re-evaluate the public employee pension program</u>					
Total	45%	38%	17%	100%	(736)
--Heard of	48	43	9	100	(305)
--Not heard of	43	35	22	100	(431)
<u>To reduce state aid for the arts</u>					
Total	40	51	9	100	(749)
--Heard of	46	50	4	100	(329)
--Not heard of	36	51	13	100	(420)
<u>To make changes in the Homestead Rebate Program</u>					
Total	35	50	16	101	(758)
--Heard of	37	53	9	99	(486)
--Not heard of	30	45	25	100	(272)
<u>To eliminate some aid to the cities</u>					
Total	33	57	10	100	(746)
--Heard of	37	59	5	101	(374)
--Not heard of	30	56	14	100	(372)

To reject aid to colleges and universities that would be used to keep tuition from rising beyond 4.5%

Total	30	64	7	101	(748)
--Heard of	31	67	2	100	(435)
--Not heard of	28	60	12	100	(313)

To reduce financial support for public transportation

Total	30	59	11	100	(740)
--Heard of	31	65	5	101	(320)
--Not heard of	29	55	16	100	(420)

To reduce state aid to local communities

Total	23	67	10	100	(749)
--Heard of	22	75	3	100	(390)
--Not heard of	25	58	17	100	(359)

To eliminate the transitional school aid funding to suburban communities

Total	22	62	16	100	(741)
--Heard of	24	68	8	100	(316)
--Not heard of	22	58	21	101	(425)

"Some people feel that the homestead rebate program is a political gimmick that is used to put checks in the hands of people just before the election.

Others say that the rebate program provides much needed tax relief because New Jersey has one of the nation's highest property taxes.

Which of these two views comes closest to your own -- do you feel the homestead rebate is a political gimmick or do you feel it is needed to provide property tax relief?" [Q.20]

	<u>Political Gimmick</u>	<u>Needed For Property Tax Relief</u>	<u>Depends</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
April, 1992	36%	57%	2%	5%	100%	(800)
<u>Party ID</u>						
--Democrat	25	69	3	3	100	(220)
--Independent	43	50	2	5	100	(314)
--Republican	39	54	1	5	99	(238)