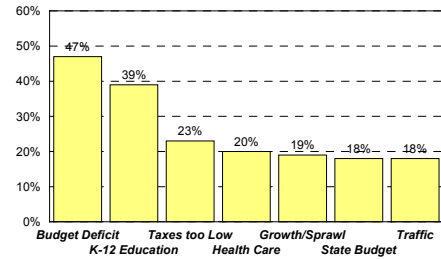




Deficit, K-12 Education Head List of Important Issues Facing Arizona State Government

On the eve of the Democratic Presidential debate in Phoenix, a new poll sheds light on the sensibilities of an important component of community leadership in the State of Arizona. According to a just-released *Valley Influentials Poll*, community leaders cite addressing the state budget deficit and K-12 education as the dominant issues facing Arizona state government. A sample of Valley Leadership, Greater Phoenix Leadership, the East Valley Partnership, and Westmarc members were asked: “What do you think are the three most important issues facing Arizona state government today?” Respondents were permitted to select up to three items. ***The budget deficit was cited by nearly half (47%) of the respondents. Thirty-nine percent (39%) identified K-12 education issues. All other issues were selected by less than a quarter of the respondents.***

Most Important Issues Facing Arizona State Government



Other issues named by a significant minority were health care and health insurance (20%), growth, sprawl and overpopulation (19%), and the state budget (18%). In addition to the issue of taxes mentioned above, only two other issues reached double-digit levels: 12% cited declining morality and 12% cited crime, violence, drugs and gangs.

Budget Deficit and Taxes

Strikingly, the number of persons who indicated that “taxes are too low” (23%) is nearly two and a half times the relatively small proportion who cited “taxes too high” (10%) as one of the three most important issues facing state government today. Support for raising tax levels may be viewed as an indirect comment on the state budget deficit problem and may be seen as a means to offset the deficit.

Dr. Michael O’Neil, the poll’s director, was quoted: “Clearly a decade of tax cutting has had an impact. While we have little doubt that the overall preference of these community and business leaders (or indeed for that matter nearly any group of citizens) for low taxes over high, the emerging consensus seems to be that the state has moved too far in this direction throughout the 1990s. These community and business leaders seem to be saying, we believe, that a reassessment has to be made of state government priorities and that cutting taxes is not a significant issue in relation to the many others facing the state.”

About the Poll. The *O’Neil Associates Valley Influentials Poll* is a web-based survey that was sent to all members of Greater Phoenix Leadership, Valley Leadership, East Valley Partnership, and Westmarc. As such, this survey does not purport to be a random or representative sampling of the general population of the Phoenix metropolitan area. It would be difficult, however, to conceive of a more comprehensive representation from which to draw inferences about the opinions and sensibilities of ***business and community leaders*** than the combined membership of these organizations, although, inevitably, any definition of influentials is somewhat subjective. The persons surveyed are likely to exert disproportionate influence on and be an early indicator of community opinion by virtue of their position, community involvement, and political participation. The *O’Neil Associates Valley Influentials Poll* ***was not sponsored or paid for by any outside organization.*** Four hundred participants completed the survey between June 23 and July 2, 2003, yielding a margin of error of $\pm 4.9\%$. O’Neil Associates, Inc. is a Tempe-based public opinion research firm specializing in client-focused attitude and awareness studies for a wide variety of industries and organizations.

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These results may be reported freely provided that they are identified as the “O’Neil Associates Valley Influentials Poll” including identification on any graphic material.

A previously released *Valley Influentials Poll* showed general receptivity to, if not enthusiasm for, increased taxes as a means of addressing the state budget among these same community and business leaders. This new question reinforces that finding, and suggests the possible emergence of a new consensus in which the value attached to cutting taxes is not an absolute. Rather, it is something that must be assessed against other means. Dr. O'Neil observed, "We see a growing rift between the business and community leadership which seems to take a pragmatic view of state problems in contrast to current state legislative leadership that seems to view them in primarily ideological terms. What this group of community leaders is in effect saying is that the time for ideological reactions to current problems is past. Rather, a hard look should be taken at state funding priorities on a case-by-case basis, adjusting - upward where necessary - to functional levels."

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