



DATE: September 10, 2018
 TO: Holland Children’s Institute
 FROM: Ben Lazarus and Yu-Ming Liou
 RE: Nebraska Statewide Issues Survey - Attitudes on Taxes, Spending, and the State Budget

Voters Prioritize Balanced Budget, Prefer Tax Increases Over Spending Cuts to Do It

Results from a recent Holland Children’s Institute statewide poll¹ show that Nebraska voters overwhelmingly agree (86 percent) that balancing the budget will support and grow the middle class and workforce in Nebraska. Moreover, balancing the budget is overwhelmingly popular across the partisan spectrum, with Democrats, independents, and Republicans all backing it at exceptionally high rates.

When asked how they preferred to balance the state budget², nearly six-in-ten voters prefer the state raise more revenue through increasing taxes (58 percent) rather than avoiding tax increases and cutting spending to balance the budget instead (25 percent), as shown in *Figure 1*. Moreover, a plurality of voters (40 percent) strongly support increasing revenue through tax increases - more than twice as many as those who strongly support cutting spending (18 percent). While Democrats unsurprisingly favor tax

Figure 1: Increase Taxes or Cut Spending by Partisanship

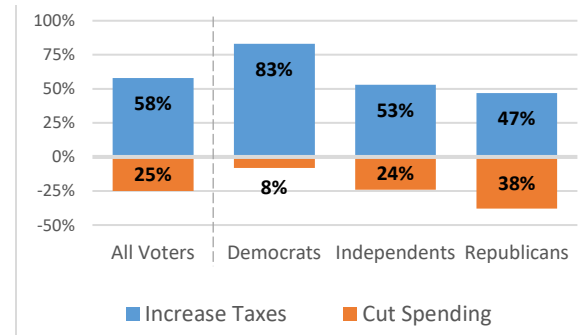
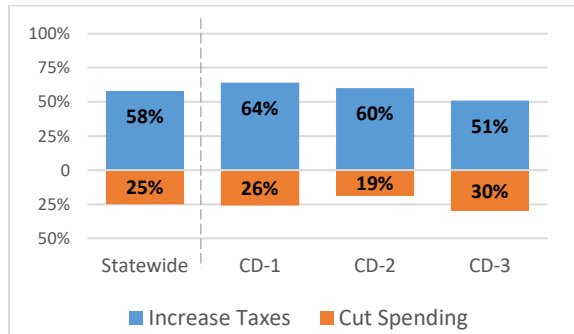


Figure 2: Increase Taxes or Cut Spending by Congressional District



increases over spending cuts by a large margin (83 to 8 percent), a majority of independents also favor increasing taxes to balance the budget (53 to 24 percent). Even a solid plurality of Republicans prefer it over cutting spending (47 to 38 percent). Likewise, majorities of voters prefer raising taxes to cutting services across the state, as shown in *Figure 2*. And they prefer it by substantial margins - ranging from 21-points (51 to 30 percent) in largely rural Congressional District 3 to 41-points in the Omaha-area CD-2 (60 to 19 percent).

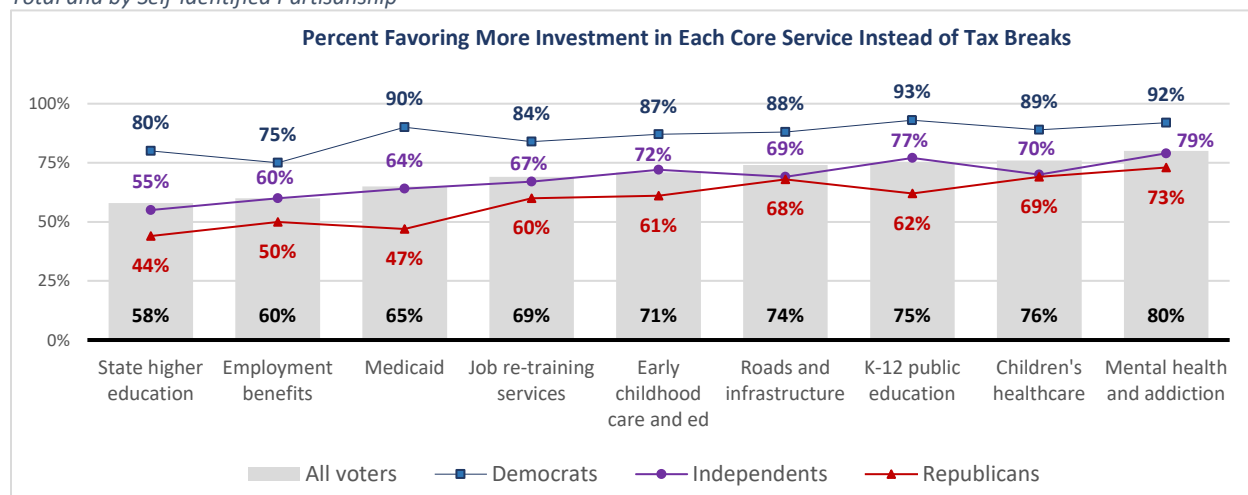
¹ TargetSmart designed and administered this telephone survey conducted by professional interviewers. The survey reached 600 adults, age 18 or older, who indicated they were registered to vote in Nebraska. The survey was conducted from July 25-29, 2018. The sample was randomly selected from TargetSmart's enhanced voter file. The data were weighted by gender, age, party registration, and region by congressional district to ensure an accurate reflection of the population. The overall margin of error is ±4.0%. The margin of error for subgroups is larger and varies. Percentage totals may not add up precisely due to rounding.

² We asked: “As you may know, Nebraska’s state government has faced mounting budget deficits over the last few years. Which of these two approaches would you prefer for balancing the state budget: Raise additional revenue through some tax increases to balance the budget and allow for increased investments in services supporting the middle class OR Avoid any tax increases and instead make deep cuts to spending on state programs like education and Medicaid to balance the budget?”

Voters Agree on *What* to Do with Increased Revenue - and *Who* Should Provide It

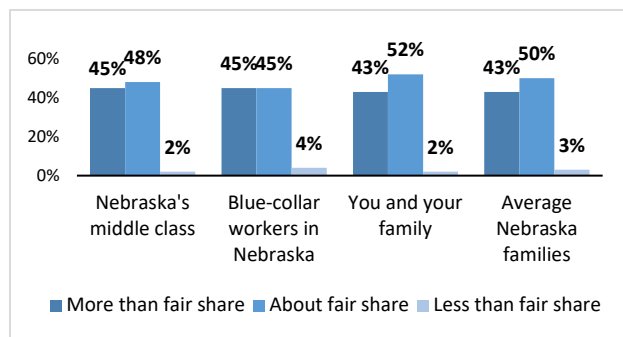
As seen in *Figure 3*, there is a broad consensus for increased state investment on core policy priorities that would be enabled by increases in government revenue. Strong majorities of Democrats, independents, and Republicans agree that increased state investment in a broad range of services would be preferable to tax breaks for corporations and other large businesses. Six-in-ten Republicans (61 percent) favor increased state investment in early childhood childcare and education and nearly seven-in-ten (69 percent) favor increased investment in children’s healthcare. Notably, three-quarters of voters (75 percent) prefer investment in K-12 public education over more investment in tax breaks, and eight-in-ten (80 percent) prefer investment in mental health and addiction services.

Figure 3: Percent Prefer More State Investment in Services Over Tax Breaks for Corporations and Other Large Businesses - in Total and by Self-identified Partisanship



Moreover, voters overwhelmingly agree not only on the need for increased state government revenue, but also on who should provide it - big business and the wealthy - not working Nebraskans or middle-class families. As seen in *Figure 4*, more than nine-in-ten voters think that groups such as “Nebraska’s middle class,” “blue-collar workers,” and “average Nebraska families” are paying *at least* their fair share in taxes. While strong majorities of voters think that big corporations and wealthy citizens are paying less than their fair share (see *Figure 5*).

Figure 4: Groups Who've Paid Their Fair Share in Taxes



Taken together, the results from this survey show that while Nebraska voters are committed to balancing the state budget, they want to see increased state investment in vital services - even if it means increasing taxes - and they would like to raise state revenues by having big corporations and wealthy citizens pay their fair share.

Figure 5: Groups Who Haven't Paid Their Fair Share in Taxes

