



AARP Members' Reactions to TABOR in Maine

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**Report Prepared by
Curtis A. Mildner, Senior Consultant,
and Jennifer McBride, Project Manager, Market Decisions
Data Collected by Market Decisions, South Portland, Maine.**

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AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our bimonthly magazine in Spanish and English; *NRTA Live & Learn*, our quarterly newsletter for 50+ educators; and our website, www.aarp.org. AARP Foundation is our affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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Key Findings

1. Most citizens have little awareness of TABOR. Only some “early adopters” were aware of the initiative’s specifics. Maine voters have yet to form a solid position on the initiative.
2. Citizens are receptive to the idea of a tax cap, despite defeating the Palesky Tax Cap in 2003. This previous measure was seen as lacking credibility because of its sponsor and flaws in its details. A measure forwarded by more credible sponsors and with better thought out details will be of greater interest.
3. One of the end products of the previous campaign to defeat Palesky was the perception that “scare tactics” were used excessively to defeat the measure. Premature emphasis of the impact of the tax cap on spending for specific purposes or groups by opponents of TABOR would-be counter productive.
4. Proponents of TABOR can use a small number of simple and powerful messages to gain support for the measure. The following tested messages were effective:
 - a) TABOR will control runaway state government spending and force the state government to operate more efficiently.
 - b) TABOR will take power away from state politicians and put it back in the hands of the people by requiring that any tax increase be approved by voters.
 - c) TABOR will be good for businesses because it will lower the taxes businesses have to pay to operate in the state.
 - d) TABOR forces politicians to follow a budget just like everyone else. (This message came up during the course of discussions).
5. Opponents of TABOR will need to use more complicated messages that are very carefully crafted. The following tested messages were effective:

Top Messages

- a) TABOR puts a cap on spending but does nothing to make sure our needs are met. Taxes refunded would be offset by increased fees.
- b) TABOR will not solve the problem of wasteful spending and will take money away from the things we care about: healthcare and education.*

Other Effective Messages

- c) TABOR would decrease the quality of life in Maine, forcing major cuts in health care, education, and public safety.*
- d) Citizens already have a voice in their local governments; it is with our votes and our voices that city councils determine how our local dollars should be spent.

- e) TABOR will not make lawmakers accountable. Instead, voters will have to become budget and tax experts, and will have to decide on every single tax increase that the state may need.
- f) Colorado is the ONLY state where TABOR has been tried; it did such damage to schools and other services that voters suspended the law last year.
- g) TABOR creates gridlock at the local level and will hurt the services you care about most: health care, education and public safety.*
- h) TABOR does not mean tax reduction and it will only delay real tax reform.
- i) TABOR will force seniors out of their homes. Without services to help them stay, many seniors will have to go to nursing homes.*

*Participants perceived that mention of specific cuts was meant to scare voters so these points should be used cautiously, perhaps saved until the very last minute of a communications campaign.

6. AARP can serve its constituency by providing information on the initiative. Members know that AARP will take a position counter to TABOR to protect services for older adults, but still find information from the organization useful.

Discussion and Recommendations

Participants' knowledge of TABOR was very limited. A few participants, possibly "early adopters," had looked into specifics of the proposal. Most participants had only some knowledge, largely centered on the problems of providing signatures. The general concept of tax reform, however, had a ready audience. Many participants responded positively to the idea of TABOR simply because they felt that taxes were still too high, especially state taxes.

When participants thought of the value they receive from taxes, they mentioned local services like education, road maintenance, and trash collection. Most failed to mention state services in general and social services in particular. Participants thought that it was largely state spending that was out of control. Since most had no direct experience with state programs, they were apt to think that these programs were unnecessary or that funds were wasted or not wisely spent.

Most participants recalled the Palesky tax initiative and their recall had distilled to two ideas. First, they believed that the Palesky proposal could not be taken seriously because of questions about the sponsor's honesty or credibility. Second, they recalled extensive "scare tactics" used to defeat the measure. They mentioned warnings from schools, police departments, and fire departments that the Palesky measure would result in drastic cuts in services. While assertions about consequences helped to defeat the initiative, they were not entirely credible. Many thought that claims of drastic cuts made by the agencies themselves were self-serving. Some thought government administrators would play a game where critical programs would be slated for cuts to save less important programs.

TABOR will generally find fertile ground among voters. Many participants believed that tax reform was still a major issue. When they voted against Palesky they voted against a specific tax initiative, one that they had good reason to be very skeptical of. They did not vote against the idea of tax reform. In addition, they believed that opponents of tax reform, particularly those in government, will fight to maintain budgets – and budget excess. This is a good reason to fight for more control over spending.

In developing a strategy to defeat TABOR, it is important to avoid copying the strategy that worked with Palesky. This is a different initiative and does not bring the same issues about credibility. Further, a strategy that emphasizes what will be cut will simply confirm voters' expectations that government does not wish to reform itself.

Anti-TABOR messages should focus on informing citizens about the details of the initiative and emphasize that it is a complicated and potentially costly change in the way we govern that does nothing to assure that tax dollars are spent wisely and well.

Based on the comments in the focus groups, the following messages appear to be promising. (In approximate order of strength)

“TABOR sounds great and makes lots of promises, but what looks too good to be true usually is.”

- 1. TABOR won't assure that government programs are run more efficiently or that waste is eliminated.*
- 2. Tabor was tried in Colorado. It was so devastating to road budgets, education, and the elderly that citizens voted to repeal the tax refund provisions and spend the money instead.*
- 3. TABOR won't assure that the most important programs are properly funded. Instead, politicians will play their game. They will cut valuable programs first, so that we later restore all funding they want.*
- 4. TABOR won't put voters in control of spending. A rigid and inflexible formula will determine budgets. The two-thirds vote required to exceed the cap will deadlock legislators. Costly citizen votes will be necessary to decide spending issues.*
- 5. TABOR won't protect services for our most vulnerable citizens, the elderly, the disabled and children, from budget cuts by politicians: All those who can't fight for themselves are the ones that are most likely to lose.*
- 6. Allowing citizens to sue their government over TABOR is crazy; it will just add costs for all of us.*
- 7. TABOR won't reduce taxes, it only caps increases.*
- 8. TABOR would make local government more complicated; we already have sufficient say on local budgets. And Maine's LD1 put limits on municipal tax increases and protects citizens from paying too great a percentage of their income in property taxes.*

“We need government that spends our money wisely and well, not more games.”

AARP can play an important role in the public debate on TABOR. Participants expected AARP to be against the measure as a way to protect the services of older adults. However, they would find information Pro and Con the initiative to be valuable.

Background and Methodology

Background

During the recent public debate in Maine on tax reform, AARP has taken an active role in providing information on the potential effects of various reform proposals. In 2003, for example, AARP conducted research to understand citizen and member attitudes on the proposed “Tax Cap” referendum. While that proposal was defeated, a new tax reform proposal will require that voters again make an important choice.

The Maine Heritage Policy Center (MHPC) has developed, championed and obtained sufficient citizen support for a referendum to be voted on in the November 2006 statewide election. According to the Center, *“The referendum is a tax and expenditure limitation (TEL), which is statutory legislation that restricts the growth in state and local government spending to a certain economic indicator. In 1973, Ronald Reagan, then Governor of California, passed the first TEL, and subsequently, 28 other states have passed similar legislation. The Maine TEL would limit state and local spending to the combination of the two economic indicators of inflation and population growth. This combination has been approximately three percent annually.”*

AARP wishes to understand the perceptions of its members towards this referendum so that the organization can again provide education and assistance. To meet this need, Market Decisions conducted two sets of focus groups among AARP members in Lewiston/Auburn and Portland, Maine.

Methodology

Four focus groups were conducted in total;

- Two groups were conducted at Market Decisions in Portland on Wednesday, May 17th 2006. There were 10 participants in the first group and 11 participants in the second group.
- Two groups were conducted at the Hilton Garden Inn in Auburn on Thursday, May 18th 2006. There were 10 participants in the first group and 11 participants in the second group.

A total of 42 individuals participated in the 4 groups.

AARP provided a list of members from which to recruit for both the Portland and Auburn focus groups. The list of members for the Portland groups was selected from Portland and surrounding cities and towns that are governed by city council: Portland, Cape Elizabeth, South Portland, Falmouth, Cumberland, Westbrook, and Scarborough. The list of members for the Auburn groups was selected from towns surrounding Auburn that are governed by town meeting: Minot, Sabbathus, Greene, Lisbon, Wales, Turner, Durham, Mechanic Falls, New Gloucester, Bowdoin, Poland, Monmouth, Oxford, and Hebron. The sample lists were cross-checked for duplicate numbers and out of state numbers were removed. The final sample lists were then randomized.

Findings of a focus group are representative of those who participate in the groups, not necessarily of all potential respondents. Group participants can be characterized as follows:

- All participants were AARP members.

More specific qualifications included the following:

- Participants or anyone in their household could not be working for an advertising firm, a market research firm, or for state or local government.
- Respondents that strongly agreed or strongly disagreed to the following statements were excluded: "I should not be responsible for funding social programs through the state and local taxes I pay," and "Assisting needy citizens is the most important function of government."
- A mix of political party affiliation was sought for each group.
- An even distribution of participants that voted for the Palesky Tax Cap and voted against the Palesky Tax Cap was sought for each group.
- A mix of participants who had lived in Maine for five years or less, between five and fifteen years, and more than fifteen years was sought for each group.
- Nine homeowners and three renters were pursued for each group.
- Among homeowners, a mix of annual property tax payments was sought.
- Respondents younger than 50 were excluded from participating while only one participant per group could be age 75 or above.
- A mix of education levels was sought for each group.
- A mix of income levels was sought for each group but only one participant per group could have an annual household income of \$15,000 or less.
- At least four participants working full or part time were recruited for each group.
- Respondents who had participated in a focus group discussion within the past 6 months were excluded.
- Those who indicated that they were not very or not at all comfortable expressing their opinions freely in an informal group setting were excluded.

The discussion guide and screener were developed by Market Decisions in consultation with AARP.

Groups were moderated by Curtis Mildner, a Riva Institute trained moderator.

Limits of Qualitative Research

Focus groups are considered qualitative research. They identify issues and types of responses, but they do not result in statistically meaningful allocations of responses by percentages, as would quantitative research. Focus groups can tell us how consumers may act, think or feel but they cannot tell us how many consumers think or feel a certain way.

Since focus groups allow for probing, in depth discussion and the use of special tools and techniques, they are much better than quantitative research in getting beyond the easy to get at surface or top of mind responses. This beneath the surface information is much more likely to reveal the underlying attitudes, preferences and beliefs that ultimately drive thinking and behavior.

The findings reported from Market Decisions focus groups can be used with confidence. However, care should always be taken in interpreting or acting on individual participant comments. A single comment may not represent anything more than one individual instance – unless it can be shown to be indicative of a general theme or a pattern of beliefs, perceptions or behaviors.

Quantitative research should always be considered as a next step to qualitative research. Such research adds power to the findings of focus groups by more fully describing who the respondents are that think or act in a certain way, how many there are as well as where they can be found.

Detailed Findings

Guide to Response Measures

Preponderance = Almost all

Most = More than half

Many = One third up to half

Some = More than a “handful” and up to one third

Few = A “handful”

Use of Taxes

When asked about what they get for the taxes they pay, top of mind for most participants were basic services, in particular, ones that provide a direct benefit. These basic services included public safety, fire protection, roads and road maintenance, and rubbish removal. While not of direct benefit to all respondents, education was also often mentioned as a top service from taxes.

Even though these basic services were seen as necessary many respondents were also concerned about waste and inefficiency in the delivery of these services.

“But that doesn’t mean that little Oxford, Maine needs the latest and greatest fire truck. They don’t spend money wisely”. Auburn

“I have great problems with the inefficiency of the fire department and schools”. Auburn

While core services dominated mentions, some respondents mentioned social services as a use of tax dollars. Respondents seemed to relate primarily to their direct experience with services that they or a relative had received. These were named as specific services, such as “help for the blind” or “services for the disabled.”

Although several respondents mentioned “social services” as a function of government, the broad term was viewed less favorably than mentions of specific social services and sometimes led to a discussion of unnecessary or excessive spending. Some participants thought that social services were misused or used by those who did not need them. Some participants thought that they were too easy to obtain and individuals from other states came here to take advantage of this.

“If you’re a minority you have it made.” Auburn

“I come from Connecticut and there are many people on welfare here because it’s hard to find a job. It’s seasonal.” Auburn

2003 Palesky Referendum

Many participants recalled the most recent Tax Cap initiative.

Many referred to this tax initiative as the Palesky Tax Cap and closely associated this one person with the effort. Some thought that Ms. Palesky was crazy and this made the entire proposal suspect. Others thought that irregularities surrounding the collection of signatures clouded the integrity of the proposal. The reputation of the sponsor appeared to affect the support for the initiative.

“So much was made about her that it was really hard to understand what the issue was. I really can’t tell you what it was about, the issue, but I remember her.” Portland

“She thought her idea was right, but she was weird.” Portland

“I was skeptical about where did the signatures come from, how did they get there? There were quite a few issues there.” Portland

Participants also saw some specific weaknesses of the proposal. Some thought that the initiative cut too deep, taxes would be lowered too much.

“They said it cut taxes too much.” Auburn

Another issue was the focus of the initiative on property taxes, rather than state taxes. Most thought that they had more control of local spending than state spending. It was at the state level that spending was the problem.

“My concern was that Palesky didn’t do anything at the state level. It was going to hurt the local level and not reign in taxes at the state level. It wasn’t doing anything to cap state taxes.” Auburn

“Another issue was local control, they said the state would dole out the money.” Auburn

Although most agreed that they would enjoy the benefits of a tax cap, the possibility of losing needed services was not worth the small amount of money that would be saved.

“Everybody would like a tax cap and not have their taxes raised. I would like to be paying less to all government. But realistically, I don’t want to lose my services. I would be really hard pressed to tell you which one I would give up to save \$100 or whatever.” Portland

Another important recollection was the perceived extensive use of “scare tactics” by the opposition to the tax cap. This phrase was mentioned several times in each of the four groups. To most, “scare tactics” appeared to mean unsubstantiated claims as to what might happen if the tax cap were implemented. Respondents recalled hearing a great deal about the negative consequences of the act. They noticed extensive use of police, fire and teachers to present an “end of the world” picture of the effects of the tax cap. While respondents did not believe the claims were true they created enough concerns to prompt votes against the proposal.

“Teachers were handing out pamphlets and they were scaring everybody. In fact, they had everybody convinced that they would all lose their jobs.” Portland

“Fireman were coming around, I can remember them talking to me saying, ‘You know, we’re gonna lose our services.’ So even though I thought the idea was right, they put enough fear into you like, ‘Oh my god, we won’t have police and fire...’ and they just killed it.” Portland

“The scare tactics swayed me to vote against it. They said you’re not going to have any police protection any fire protection. When they came out with that it scared a lot of people.” Auburn

“People who opposed it scared a lot of people by saying that police and fire would be cut, but I don’t think that would have happened. A lot of outside money was coming in to defeat it.” Auburn

Many participants thought that while this particular tax control initiative was flawed, a tax cap was a good idea. They were receptive to new proposals.

“How many of you have had to cut back on what you spend and why can’t the government do the same thing. They run out of money and they just add more taxes.” Auburn

“Initially it looked like a good idea, but the more you looked into it the more it fell apart.” Auburn

“I think it really made people sit up and think. There were some positives that came out of it. It made us look and reevaluate and we should come back to the table again.” Auburn

Only a few respondents were aware of LD1, the measure passed by the Maine Legislature in response to the tax cap initiative. Most participants thought that nothing has been done on tax control since the initiative.

Many participants also expressed concern about the confusion that referendums create. Determining what is true and not and making informed decisions was difficult. Most thought the Palesky Tax Cap was confusing and hard to understand. Many could not make sense of the wording and felt that a “Yes” really meant “No” and a “No” really meant “Yes.”

“You know how the referendums are always worded here – that a yes really means no and a no really means yes, and it’s very confusing.” Portland

“It was so confusing even right down to the last hour. I don’t even have the slightest idea of what that’s about.” Portland

“I agree with everything that it’s written so it’s very confusing.” Portland

“What bothers me most is the wording on the ballot. It takes me half an hour to decide if my ‘no’ is a ‘no’ and my ‘yes’ is a ‘yes’.” Auburn

Even to this day, many could not even recall what the Tax Cap was all about. However, some felt that it was an initiative to limit the property taxes to a certain percentage but also that city services would suffer.

"I'm still in the dark." Portland

"The police and the fire. They take the most important things first." Portland

"Maybe the property tax would have gone down, but something else is going to go up. It's just like a see-saw – you put one down, something else is going up. You're not going to get by by eliminating many of those things up there on the board. Somebody's going to pay for them, and believe me, it's going to be us. I don't know if we're going to pay it to the city, state or federal government, but we're going to pay it to one, two or three of them." Portland

"The cuts appeared to be extreme. That they may be needed, but too extreme with no focus. You couldn't really tell what it would not do. Both sides of the situation had their pros and cons, but too extreme." Portland

TABOR Awareness and Knowledge

Awareness of TABOR was quite low.

Some knew it was some sort of tax cap and a handful was familiar with some details. Others had heard news reports on issues relating to counting signatures to put the initiative on the ballot.

"It's going to be going before the legislature and if the legislature doesn't act on it, it's going to be on the ballot this fall. Its tax cap, it's being used in Colorado and they voted to suspend it because it was throttling them they couldn't do anything. The advantages on this are better than Palesky because it addresses state spending." Auburn

"Basically, it's another tax cap." Auburn

"I know it's a controversial petition. Signatures, they were late in getting to the state." Auburn

Only a few respondents knew what the name "TABOR" stood for. After respondents were told it was an acronym for Taxpayer Bill of Rights, most thought that connotations were positive. Many associated it with the Bill of Rights of the constitution and appreciated the protection that the original bill provided. Still, most were skeptical of the name for a tax initiative, anticipating that it was a gimmick or trick.

"We'd like to think that we would have more control over the taxes we're going to pay. Bill of Rights says where are my taxes going and what they're being used for. See, I didn't know what it meant. I'd like to think that it gives me a little more opportunity to have a voice and the reality is that we don't have a voice when we think we do." Portland

"When I first heard that phrase, I thought that we had some power in that whole concept of tax payers but I haven't really done that much research into it." Portland

"Sounds Lofty." Auburn

"Sounds too good to be true." Auburn

"Our county has lived on the Bill of Rights that says what we should be doing about taxes. If this is what it is I don't mind that." Auburn

"Sounds like a pretty name that is going to get a lot of attention. I'm leery of it." Auburn

"I'd read the small print." Auburn

"Mary Adams is supporting it heavily, she's real conservative. She's been an instigator of a lot of things." Auburn

Review of TABOR Details

Some participants found the details of TABOR complex and confusing. Others thought that the information presented did not have enough detail. Overall, most thought that it was interesting and worthy of consideration. Participants appeared to be hopeful and skeptical.

"Its ideal, but its something we have to plan for. You couldn't do this right away." Auburn

"It's kind of heavy at some points." Auburn

"I think the merit of this is good and that if it goes for a vote in the fall it will pass. But I think the real problem is that voters don't get involved in their communities and with their state legislators. They complain about their taxes being too high but they don't get involved." Auburn

"Everything we will read is going to be scare tactics. Local government is going to say this is how it affects the local budget. People are going to say that's scare tactics." Auburn

I keep going back to the elderly senior citizen. They're going to be confused. With Palesky, I remember the little old ladies and some of the gentlemen were just terrified, what's going to happen to us? And these are the people who vote." Auburn

Cap Targets

The idea of a cap on state expenditures was generally seen as a good idea. Participants felt they had more control over local spending and could see more directly the value of the local taxes they paid. In contrast, state spending was often seen as the problem. Many thought that taxes primarily went to supporting a large and unproductive bureaucracy.

"It's a good concept. Every business has a plan. Why not hold other people to their spending." Auburn

Some participants recognized that a cap would inevitably lead to cuts in spending. The nature of these cuts was a concern.

"This would cut taxes per capita as population declines, that's what happened in Colorado. They got caught so bad they couldn't function. It limits them so much on spending." Auburn

Some participants wanted a tax cut and were disappointed that this cap probably would not roll back taxes.

"I'm concerned because I see more and more of our young people are leaving the state, where is that adjustment? We still need to roll it back, so people want to stay." Auburn

Most respondents were skeptical of the limited detail provided about this specific cap formula. They wanted to see the whole and believed that the "devil was in the details."

"Not enough details for me to understand." Auburn

"I'd like to see more detail." Auburn

"You'd really have to look at the details and get into specifics." Auburn

Some respondents were concerned about the "consumer price index" and wanted to know what index this was. They were concerned about the use of a national number, with Maine being so different than other areas, especially with respect to fuel costs.

"Who comes up with that formula of inflation? Is the formula of inflation for someone in New York or California the same exact formula as it is here?" Portland

"It just says inflation plus growth. What inflation? National or state?" Auburn

"How much higher will gas get? That would affect this." Auburn

"Those are variables and you can guesstimate them, but it says later that if you guess wrong you can't use any of the extra money to bail yourself out." Auburn

The population growth factor was seen to be a problem on two levels. First, most respondents recognized that Maine's population was not growing so it really wouldn't be a factor. Second, some wondered how population would be determined accurately every year in every town; would a census be conducted? One participant noted that the reason taxes were high was that Maine has a flat or a declining population.

"Let's just go with population growth. Are we going to take a census every year? Is that how we're going to determine it? So somebody's got to sit down and do that research." Portland

"I've lived in Maine for 30 years and the population has never exceeded much than a million and you're not going to gain anything except for a few towns that are growing and I think the towns up north would probably suffer from it." Portland

"There is no population growth up north. Everybody's either moving down south or out of state so I think for those people that do live up there, it would hurt. South of Augusta it would benefit." Portland

"This is the first time in how many years that the population has grown?" Auburn

"Why are we spending more in taxes- more land less people." Auburn

Some thought that the cap wouldn't really solve the problem.

"I'd like to see something where if you have lived in your house for 50 years you can afford the taxes and stay there. It not happening." Auburn

"We all want what we want. We don't want to give up anything. That's why taxes remain high." Auburn

Throughout the discussions participants expected politicians to perversely exercise control to manipulate events to their ends.

"Isn't that scare tactics – don't they make it real difficult for you for 2-3 years than say we need to rethink this?" Auburn

State Governance Changes

Most participants were not concerned about the requirement that two-thirds of legislators agree to spending beyond the cap. Some thought that this meant that the cap would be exceeded only when absolutely necessary. Others thought that this approach was a reasonable check and balance. That is, only with broad agreement would the cap be exceeded. Most respondents felt that they had little control over state spending and believed that spending needs to be reigned in so this proposal was better than nothing; it would keep legislators under control.

"It sound good, it sounds fair." Auburn

"If I could spend as much money as I wanted, whenever I wanted, I would. But I can't so why should our government. Why should people from other states come here because they get a decent meal ticket. We're supporting everyone." Auburn

Some participants liked the requirement that after a two-thirds vote of legislators, excess spending also be approved by a majority vote of citizens. Others were not so sure.

"When I see that we the voters may have the chance to vote on something that they may have done, I like that. If I want to say control, that I could make a difference in the voting box." Portland

"I like the idea of having somewhat of a say before they just pass another law that's going to tie us to a formula. Let's at least see what the rest of the people have to say. I like that." Portland

"I think it gives you more of a feeling of a vote that really counts." Portland

"As a taxpayer I should have some voice in how I'm taxed." Auburn

Some thought that this would require too many trips to the polls if a vote was required every time proposed spending would be in excess of the cap. Several noted that additional elections would add to the cost of government.

“How much are these two thirds votes going to cost extra?” Auburn

“Seems like I’d be going to vote all the time. It will be tougher to implement.” Auburn

“How many times a year are you going to have to watch these political ads, vote for this, vote for that?” Auburn

Some also expressed concern about a “time lag” imposed by this process – important or emergency needs would be unnecessarily delayed.

“But how long will it take to change things if needed? It might take the population years to make a change, if you let them hurt a while the change will be faster.” Auburn

“When we went to the prescription drugs the State of Maine stepped in quickly to see that people got their drugs, and they haven’t been paid back yet.” Auburn

Others suggested that decisions would still be controlled by the few that actually voted – and special interest groups could stack the vote. Some preferred the current process where voters elected officials to make these decisions for them. They thought that these elected officials would be better informed and also know the voters’ will. Some respondents mentioned the current lack of involvement of voters with their legislators as a root problem. That is, if more voters were involved with their legislators spending control would not be so much of a problem.

“Supposedly that’s what we vote for our legislators to do, to vote responsibly”. Auburn

“Shouldn’t the representative be the one that watches out for the things we want?” Auburn

Some thought that voting on exceptions to the cap would not be too frequent. Others thought it would be worth a try, and could be corrected if it was a problem.

Rainy Day Fund

The description of how excess taxes would be handled was a source for both amusement and frustration.

Many respondents believed that there wouldn’t be any excess; all the taxes would be spent.

“I underlined the 25%. Forget it. Refund it all. Politicians have a way of spending it.” Auburn

“I don’t think there will ever be a refund because they will spend every damn dime.” Auburn

Some thought that any excess should be kept in a rainy day fund, reasoning that the amount of the refund would be small, the costs of returning it would be high and the government would be more likely to need it in the future. Others thought that all of the taxes should be returned or better yet, the tax rate should be adjusted so that there would be no excess.

"If they tax me right and they do their finances right they shouldn't be refunding anything to me. If they've got it done properly and they're doing the finances, I shouldn't need any money back." Portland

"They talking about refunding taxpayers money, but everybody would probably get just a little bit. And that little bit doesn't amount to anything." Portland

*"I think having that safety valve of not limiting it to 20%, putting as much as you reasonably think at that year that you can put in that fund, and not limiting how much you can put in, that rainy day fund can get bigger and bigger and bigger and if we ever get a kick in the ***, it could be our life." Portland*

"Some years ago they gave me a refund, it didn't make any sense. Why didn't they just keep it? Everybody was used to paying it. And the little bit we got back." Auburn

"If they have the money, why don't they lower next year's taxes?" Auburn

The limitations on the uses for the rainy day fund appeared to be silly to most. Most thought that the language meant that the fund couldn't be used for anything – even emergencies. This discussion led to "what if" concerns about a major catastrophe. Suppose funds needed to be spent fast, as in a Katrina type disaster, would the law provide enough flexibility to allow this?

"But they're excluding everything its intended for, so what's going to be done with it? Portland

"The second it says extra funds could not be used for unplanned emergency projects doesn't make any common sense to me. If you've got extra money and you've got this big problem, but no you can't spend this money. Doesn't make sense to me." Portland

"By the wording, you can't spend the rainy day fund." Auburn

"What about emergencies, what would you do?" Auburn

"By the time they set up and voted on it, the emergency would be gone." Auburn

"What's a rainy day fund if you can't use it for unexpected expenditures?" Auburn

Local Governance Changes

Most respondents had little trouble with the proposal controls over spending at the local level. The two-thirds majority needed to spend beyond the cap was seen as a good control and the local vote to agree to this overspending was seen as prudent. However, respondents appeared to believe that needs for local core services would be met regardless of the rules. That is, if voters want services that would mean exceeding the cap, they will pass budgets that allow for this.

Participants saw few advantages for local spending controls but they did see some flaws and limitations to this approach. Some participants noted that assessed valuation is unlikely to ever be lower so taxes were unlikely to go down. Others noted that the problem of the elderly being able to afford taxes

"The assessed property value is never going to be lower." Auburn

"That's where the senior citizens get hurt, value of houses going up." Auburn

School Spending Formula

Some thought that tying spending to school enrollment was unworkable. Slight changes in enrollment would lead to increases and decreases in school budgets every year, and it might not be possible to readily change expenses to match.

Many thought that closing local schools was a political football; citizens wanted schools proximate to their neighborhood and were resistant to shut down schools even if there was excess capacity. In Auburn, respondents noted that the Catholic Church had shut down schools because of declining enrollments. They suggested that adjusting the budget to enrollments would be especially difficult in small communities with small enrollments.

"If school enrollment declines they should close the schools, That's what the Catholic schools had to do. City government would never do that." Auburn

"If this were in effect, maybe they would close schools." Auburn

"It's hard in Greene, we have only one school. You're not going to close the town's only school. Our schools saw declining enrollment for the last five years." Auburn

Pro -TABOR Messages

(Listed in order of overall strength)

Strongest

TABOR will take power away from state politicians and put it back in the hands of the people by requiring that any tax increase be approved by voters.

This was the strongest pro-TABOR message. Most participants agreed that state government was the prime culprit in increased spending and that citizens had the least control over state politicians and state spending. In contrast, town and city budgets were seen as more directly under the control of taxpayers. Participants seemed to feel they were victims of the system rather than being in control of it. Putting power back into the hands of the people was seen as a powerful message.

"We're going to have the final say after the state politicians are through with it. We've got the final word, not them." Portland

"We're going to take the power away from them and it makes you feel like you've got some control of it." Portland

"It's gonna put the power back in the hands of the people and if we mess it up, it's our own fault. The power is coming back to the people whether we're smart enough to make the right decision." Portland

"It will put a restriction on the legislature in Augusta. Yes, we will probably have to make more decisions on our own as far as what we want in our community and in the state, but that's part of living in the area that you live in – making decisions." Portland

"If taxpayers have some hope – they'll find that support. It gives people a reason to vote. More people will vote." Auburn

"It sounds good and feels good. No it's not true." Auburn

"I think this changes our representative form of government for over 200 years. If people aren't making the decisions we want we should vote them out." Auburn

"I don't agree with that, this is not every vote that is happening, it is just about the increase." Auburn

"If I can get enough people to get out to vote, I can control something. When we had a problem with the school budget we went door to door. But the politicians put it up for a vote again, they said it would mean cutting this and that. They wouldn't accept a 'no.' If this was in place, I'd feel good if a majority voted for it." Auburn

"At town meetings it seems to be that every item is pushed through, people don't fight like they used to. But if you go into a booth to vote on taxes, you are more likely to vote no. You are less likely to be intimidated." Auburn

TABOR will control runaway state government spending and force the state government to operate more efficiently.

This was one of the stronger pro-TABOR messages. Many respondents related particularly well to the words "runaway spending" and many agreed that spending on state level needed to be controlled. Most liked the word "efficiently" as they thought that tax dollars were not spent well, but should be. Some participants thought that interest groups were effective in fighting reduced or unnecessary spending. Others thought that mainstream voters were allowing the spending increases.

"Since I've been voting 16 years, I haven't seen government not be runaway, I don't see how this is suddenly going to change this." Auburn

"If nothing else, it sends a message to politicians. Taxpayers want more efficient use of their money." Auburn

"Nobody ever says no. This fall was the first time a bond issue failed." Auburn

"In my area people were saying if we don't spend the money for the new school, someone else will get it. Sometimes you just have to say that's not right." Auburn

"Whenever the legislature talks about cutting a program, the next day there are people on the capital steps saying don't cut my program." Auburn

"The way I see this is that it's talking about limiting spending, not cutting spending." Auburn

"That's the biggest thing, we're not asking them to cut things, we're asking them to spend money wisely." Auburn

"The measure of what we spend in taxes isn't what we derive from it, it's wasted." Auburn

Strong

TABOR will help Maine's economy by returning money to taxpayers through tax rebates and tax cuts.

Participants readily accepted the idea that lower taxes would improve the economy. However, the weakness of this message was a lack of belief that taxes will be actually be lowered and the preference of some that excess taxes were not consequential enough to be returned. Some thought that excess taxes would better be kept for a rainy day, or better still, taxes permanently adjusted.

"That's the only thing I have against TABOR is the rebate to taxpayers. I think the money should stay in the rainy day fund." Portland

"It's already been paid, you don't miss it." Portland

"That's not what I want; I want them to pay attention to how they spend money." Auburn

"I want to get money back." Auburn

"I don't want them to take it in the first place." Auburn

"Lets do it right the first time, we don't need more paperwork." Auburn

"Maybe it makes you feel good, you get \$100 back and then you have to pay taxes on that." Auburn

"Cut it, never mind the rebates." Auburn

"There may not be any money to come back." Auburn

"It costs them too much to return money." Auburn

TABOR will be good for businesses because it will lower the taxes businesses have to pay to operate in the state

There was agreement that the state tax structure worked against businesses wanting to do business in the state. However, some thought that this statement was just pandering.

“If you’re going to attract businesses, you’re going to have to give them an incentive to come all the way to Maine because we’re on the end of the pipeline.” Portland

“I think lower taxes would definitely encourage businesses to come into the state.” Portland

“This is just what people want to hear.” Auburn

“My nephew was working for Courier and they wanted to come to Maine. Guess where they are, Portsmouth NH. They couldn’t afford the taxes. Maine is not business friendly. We need lower taxes.” Auburn

TABOR will create a better Maine with lower taxes.

Participants thought that this was a statement that sounded good, Maine would be a better state with lower taxes, but some thought it was generalization without substance.

“I think it will lower taxes, but I don’t know about creating a better Maine.” Portland

“It’s all encompassing.” Auburn

“Maine is the highest taxed state and the people aren’t getting what they deserve. I hear about what they did in California and I don’t think they are suffering.” Auburn

TABOR will allow citizens to sue state government if they believe TABOR limits are not being met.

There was a strong negative response that this was not a good idea. Participants thought that lawyers stood ready to exploit opportunities to sue, regardless of the merits of the case.

“Every lawyer in the state will want to sue the state of Maine.” Auburn

“One guy will find a lawyer to take the case and we’ll have to hire 20 lawyers in the state of Maine to handle all the cases. Ten of us would all have different opinions so everyone would have reason to sue.” Auburn

Anti-TABOR Messages

(Listed in order of overall strength)

Strongest

TABOR will not solve the problem of wasteful spending and will take money away from the things we care about: healthcare and education.

TABOR puts a cap on spending but does nothing to make sure our needs are met.

These were the most compelling anti-TABOR message.

Some stressed the idea that TABOR really would not force efficiency or eliminate wasteful spending. Many thought that in the process of making cuts to meet the cap important needs would be sacrificed instead of unnecessary activities curtailed.

"They're going to cut the things that they don't care about." Auburn

"Anything they really want they push through, they bury it with something else." Auburn

"It's obvious that healthcare and education will take the hit." Auburn

Some participants thought that the message was a scare tactic. The extreme of what might happen was presented to create hysteria.

"I just think its scare tactics again, we're not going to have police and fire protection." Auburn

"They're trying to scare people." Auburn

"You shouldn't say, 'healthcare and education will be cut', you should say, 'if you pass TABOR there are going to be cuts made.'" Auburn

"Scare tactics is when they make statements that are not supported with facts." Auburn

"I think it's a scare tactic when you single out specific items and say it will be cut. It worked, but I don't think it's true." Auburn

"Of course, if population goes down, there should be cuts." Auburn

Any money refunded to taxpayers under TABOR would be lost by the increased out-of-pocket expense they would bear. In Colorado, fees for services and licenses have increased, families have had to pay for school supplies such as textbooks, and children attended classes wearing coats because the heat had been turned down.

Most participants thought that any refunds would be trivial and nuisance to return. Most also thought that important items would be cut rather than wasteful or unnecessary ones. They agreed that important items would be paid for through some sort of new fee or increased fee.

"It's like the Portland trash bags. Councilors approved a budget that doubles the cost of the trash bag. They didn't raise your taxes, they just doubled the cost of the trash bags." Portland

"If the kids are involved in sports in schools, you now have to pay for their own equipment." Portland

"Common sense tells you that's what's going to happen." Auburn

"I know that as a teacher I spent a lot of money out of my own pocket." Auburn

Conversely, some participants thought that the items mentioned were trivial and were brought up to "scare" citizens into voting against the proposal.

TABOR will force seniors out of their homes. Without services to help them stay, many seniors will have to go to nursing homes.

While participants thought that this statement was probably true, they also considered it a scare tactic – an extreme statement meant to frighten.

"That's effective. That's going to scare most of us." Portland

The quality of our children's and grandchildren's education will be threatened by TABOR's limits.

While many participants doubted these statements were true and thought the statements were scare tactics, they thought that they were effective. That is, many citizens would believe them and vote accordingly.

TABOR will cost taxpayers more money and would cause further strains on the state budget to pay court costs and attorney fees if citizens could sue for enforcement of TABOR limits.

Many respondents saw budget impasses leading to additional elections that would add to the cost of government. A preponderance of participants thought that allowing citizens to sue government would lead to many suits and significant additional costs for government.

Strong

TABOR will not make lawmakers accountable. Instead, voters will have to become budget and tax experts, and will have to decide on every single tax increase that the state may need.

Respondents could not see how the tax cap changed lawmaker's accountability. It would actually take decisions out of lawmakers' hands and mean that citizens would have to be more involved and informed about budgets. Some thought that this meant that there would be routine votes on budgets.

"I don't think that's the way to govern ourselves because every time we turn around we'll have to vote." Portland

"I think we elect people to represent us in these decisions. And if I don't like the people I elected, then I ought to change the people I elected." Portland

"Would we have two votes every month? If we had to approve everything, we'd always be at the voting booth, wouldn't you think? Unrealistic." Portland

"Nothing will make them accountable. We faithfully vote for the one we think is least harmful to us. How many can read this? It says I have to become an expert, no way I'm not voting for that." Auburn

"That would make it even more complex, you say that there aren't enough people going to meetings now." Auburn

"They're going to have to sell their program to the public. It does make them accountable." Auburn

On the ballot in November if you ask, 'do you want to increase spending on education,' it will pass, nobody will vote against it." Auburn

"Voters would have to be tax experts. They wouldn't know anything about that." Auburn

"If a voter wants to have taxes be \$8000 vs. \$10,000, they don't have to be experts." Auburn

"What do we absolutely need and what can we afford? That's the reality of our life. That should be the reality of government." Auburn

Colorado is the ONLY state where TABOR has been tried; it did such damage to schools and other services that voters suspended the law last year.

The fact that Colorado had tried and abandoned TABOR was seen as very important information, "if true." Some thought that TABOR would be revised and improved for Maine based on bad experiences. They doubted that a bad idea would simply be copied and proposed here. Others doubted that a bad law would be kept for so many years if it was so bad.

"Giving you that TABOR has been tried and it did such damage to schools and other services, well what am I paying my taxes for? Schools and other services. I wouldn't do that here without saying why it did such damage in Colorado. I'd want to see the facts." Auburn

"I look at this like when they tried to bring in the Casino, the scare tactics. Oh let's talk to the people in Connecticut. Let's talk to wide variety of people." Auburn

"It's so empirical. A lot of these other arguments are smoke and mirrors. Colorado is something that actually happened if it's true." Auburn

"The question is, why did they keep it for 20 years if it was so bad." Auburn

Voting "no" on TABOR will preserve the services we care about most: health care, education and public safety

While this message was construed by many to border on being a "scare tactic" it was seen as being effective. Participants responded to it, and felt that many others would respond to it.

"The old people, that's me, it always works." Auburn

"It would scare older people." Auburn

"I go to the scare tactics, I think that this is scare tactics." Auburn

"When you start threatening seniors..." Auburn

"I'm concerned about senior citizens, and education. I sure want to see a good educational system in Maine. But why would it not eliminate something like wasteful spending?" Auburn

"Why not go back to the basics in education." Auburn

"If you don't want this to pass you talk about cutting education and health care and not stopping wasteful spending." Auburn

Citizens already have a voice in their local governments; it is with our votes and our voices that city councils determine how our local dollars should be spent.

TABOR was not expected to affect local decision-making. TABOR was not perceived to be an issue on the local level.

"To say that you had a choice and didn't go – that's true but it's your tough luck. That's not how you defeat this bill." Auburn

"I thought TABOR was geared more to state government. I have more control already at the local level than I do at the state. We already have a voice in local government." Auburn

"It wouldn't sway one way or the other. We still have local government and town meeting." Auburn

TABOR does not mean property tax reduction and it will only delay real tax reform.

Many respondents thought that TABOR was at least a step in the right direction.

"Let's put everything on the table - taxes are too high, lets bring them down." Auburn

"It comes back to tax reform – Is everything that taxes go to going to be looked at to see if they are going to cut it? I don't know." Auburn

"I would rather see real tax reform. I would rather see how the legislature could move away from the property tax." Auburn

"Why should the property owners take most of the burden?" Auburn

TABOR creates gridlock at the local level and will hurt the services you care about most: health care, education and public safety.

TABOR was not seen as being ponderous for local government. Participants mentioned that they already vote directly on budgets in many places. If they wanted to exceed the cap, they could vote to do so. The primary concern was for emergencies, which would require prompt action. Some participants did not know what the term "gridlock" meant.

"If we have a disaster how are we going to deal with that?" Auburn

"But, we got through the ice storm OK." Auburn

"What does gridlock mean? Don't we have that already?" Auburn

"LD1 Has already put limits on the towns, the only reason I'd vote for it is to put a limit on the state." Auburn

"I don't know what that means." Auburn

"If there's an emergency situation they can't do any thing about it." Auburn

Weak

Don't let out-of-staters tell us how to run our state and our communities.

Most respondents were totally confused by this. They did not see how out of staters had anything to do with Maine taxes. The notion that the idea for TABOR came from out of state did not register.

"This is true because the out of staters are coming in and buying up property for high prices. But I don't really understand what this means – out of staters don't vote." Auburn

"The money to support this initiative may be coming from out of state." Auburn

"It does make us think a little more about it." Auburn

"They come here and want it like where they left. Every state is different." Auburn

"No out of stater is going to affect the TABOR law. Someone from Massachusetts is going to say 'let's get those Maine people to do this.' That's impossible." Auburn

"Is that because it originated somewhere else? We don't need people from Colorado bringing this to us." Auburn

AARP's Position

Many Portland participants felt that AARP would try to determine how constituents feel about the TABOR proposal before they would take a stand on the issue.

Some also felt that because the wording is so confusing, AARP would attempt to interpret the proposal in layman's terms so that their members would have more of an understanding as to what the proposal is actually saying.

"Explaining it better, so people will understand it." Portland

"They'll make some modifications and present it in a way that's undeniably... so it's easy to recognize and understand." Portland

Appendix 1. Moderator's Guide

Focus Group Introduction

Hello everyone! Welcome, to Market Decisions, it's a pleasure to have you all here. My name is Curt Mildner/Brian Brinegar and I will be the moderator for tonight's focus group discussion. We're going to be talking about state and local taxes.

Let's talk a little bit about focus groups. Focus groups are simply group discussions about a product, a service or a program. You probably have participated in other types of research, such as mail surveys and phone surveys, but clients like focus groups because they allow us to hear directly from people like you about their opinions, attitudes and beliefs.

Focus groups work best when you do the talking. Our client really doesn't want to hear what I have to say. I'm here to pose questions, to keep us on track, and to make sure that we hear from everyone.

I find that in group discussions, when one person speaks others are reminded of things they want to say – to add to the train of thought or to express another point of view. That's great; your job is to speak your mind. And we do want to hear from you especially if your ideas are different.

We don't expect that you'll all agree with one another and we do not need to come to a consensus on any topic. There are no right or wrong answers, we want to all your thoughts and opinions.

This room has been set up especially for market research groups like this one.

I'd like you to notice the microphones. We'll be audio taping and videotaping this group.

We do this so that I can review your remarks before I write my report and so that I don't have to try to write everything down while we're speaking together. I need to be engaged in the conversation and it is hard to follow what people say if I'm writing down everything you say, so the videos are basically for note-taking purposes.

But please, do not worry; none of you will be on the 11 o'clock news or on candid camera as a result of participating in this group. These tapes will be used for research purposes only. Also, behind me is a mirror through which people can observe groups like this one. We do have some observers tonight, and they are here because they're interested in your ideas and opinions.

To allow conversation to flow more smoothly, I'm going to offer the following ground rules so that we can all be moving in the same direction.

- 1.) Please speak one at a time and in a voice as loud as mine.
- 2.) This session is being taped so that I can write an accurate report, not of who said what, but of what got said. None of your names will be used in this report.
- 3.) I need to hear from everyone during the course of tonight's discussion, especially if you have a different point of view, but you do not have to answer every question that I ask.
- 4.) I may need to cut you off at some point to move onto a new topic because we do have a lot to cover tonight. I want to apologize in advance for this.
- 5.) You do not need to address all your comments to me to get them on the table. You can respond directly to what someone says, and I encourage you to respond to each other's comments, but please avoid having side conversations with your neighbors.
- 6.) There are no wrong answers in market research, just different opinions. We are looking for different points of view. Say what is true for you, even if you are the only one who feels that way. Don't let the group sway you and don't sell out to a strong talker or to group opinion.
- 7.) We will be observing the no smoking rule tonight.

Let's go around the room. And please introduce yourself using your first name and the town where you live.

Thank you, -----, and thanks for joining us tonight

Well let's get right into the topic now.

Use of Taxes (15 min)

On the paper I am putting in front of you, list the top three or four things that state and local taxes pay for that are of highest priority for you. Next, make a list of two or three items that state and local taxes pay for that you consider lower priorities.

What did you put in your list of priorities? And your thinking?

What list as lower priority? And your thinking?

2003 Palesky Referendum (5-10 min)

(I'd like to keep this conversation to a minimum, if at all—10 min at most just to see what they remember)

I'd like to talk a bit about the tax cap referendum vote that took place in 2003. This was known to many as the Palesky Tax Referendum.

What comes to mind when you hear Palesky Tax Referendum?

What do you recall about the information campaign on the referendum?

TABOR Awareness and Knowledge (20 min)

Has anyone heard about a tax initiative called the Taxpayer Bill Of Rights, or TABOR?

What have you heard?

Others, based on what you have heard either tonight or prior to the group, what are your impressions of TABOR?

Any concerns?

Now I'd like to pass out a summary of TABOR. I'd like to have you circle any aspects that you like and cross out with an "X" any points or parts of points you find unconvincing or ineffective.

PASS OUT NEUTRAL SUMMARY HERE

Ok, what did you circle?

And what did you cross out?

Now I'd like to pass out a summary of the disadvantages of TABOR - as provided by opponents of TABOR. I'd like to have you circle any points that are compelling and cross out with an "X" any points or parts of points you find unconvincing or ineffective.

PASS OUT DISADVANTAGE SUMMARY HERE

Ok, what did you circle?

And what did you cross out?

PRO Message Ranking (15 min)

Now I am going to pass out a sheet with message or tag lines that are pro-TABOR. What I'd like you to do is to read them and identify the best or most effective pro-TABOR messages

PASS OUT MESSAGE RANKING

OK, which message did you find to be most effective? And the reasons for that?

What about the ones you didn't choose? What didn't you like about them?

ANTI-TABOR Message Ranking (50 min)

Now I am going to pass out a sheet with message or tag lines that are anti-TABOR. What I'd like you to do is to identify the three or four best or most effective anti-TABOR messages.

Also, please put a "W" in front of the 3-4 worst or least effective messages.

PASS OUT MESSAGE RANKING

OK, which message did you find to be effective? And the reasons for that?

Any messages earn a "W"? Which ones? What was your thinking?

The Colorado Experience (15 minutes)

Now I'm going to pass out a description of the experience Colorado had with TABOR. Read it. Circle ideas you like and cross out ideas or statements you don't like.

PASS OUT THE COLORADO EXPERIENCE

Ok, what are your reactions to what you read? What did you like? What did you not like?

AARP (Optional) (10 min)

What position should AARP take on the TABOR initiative? Why do you say that?

Statement on why AARP is doing groups. Likely to oppose TABOR but will be doing education of its members to help them make informed decisions as they go to the polls.

Final Question

OK, we have covered the topics I needed to cover and I appreciate your focus and effort. To wrap up I'd like to ask for your comments on one matter. AARP often takes a stand on issues, but its stand cannot please all members. What suggestions would you make to them to soften the impact of stances on those who do not agree with them?

Thank You

Thank you. Those are all the questions I have for you tonight. You have been very helpful and I appreciate that you came out and joined us tonight. I enjoyed meeting you and I hope you enjoyed participating.

Appendix 2. Screener (Market Decisions)

AARP TAX SCREENER

Name:	_____
Address:	_____ _____ _____
Phone #:	_____
Email:	_____
Date/Recruiter:	_____

Time of Groups:

- 5:30 – 7:30 pm – Wednesday, May 17th - 2006
- 7:30 – 9:30 pm – Wednesday, May 17th - 2006

ASK FOR PERSON BY NAME

Hello, this is _____ from Market Decisions, a professional research firm in Portland and I'm calling on behalf of AARP. Please be assured that I am not trying to sell you anything. We are conducting a focus group session with members of AARP in the Portland area on the issues of state and local taxes. If you qualify, you will receive \$50 in cash for participating in the 2-hour session. Again, this is strictly research – may I ask you a few questions to see if you qualify?

RECORD GENDER – BY OBSERVATION ONLY

MALE	<input type="checkbox"/>	<i>RECRUIT 6 EACH</i>
FEMALE	<input type="checkbox"/>	

0) Just to confirm, are you a member of AARP?

YES	<input type="checkbox"/>	
NO	<input type="checkbox"/>	THANK & TERMINATE
DK/REF	<input type="checkbox"/>	

1) Do you or does anyone in your immediate family work for state government, local government, a marketing research firm or an advertising agency?

YES	<input type="checkbox"/>	THANK & TERMINATE
NO	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	THANK & TERMINATE

2) On a scale of 1-7 where 1 is strongly disagree and 7 is strongly agree, please tell me how much you agree or disagree with the following statements:

THANK & TERMINATE IF RESPONDENT CHOOSES 1 OR 7 TO STATEMENTS c) or d)
RECORD a) and b) FOR INFORMATION PURPOSES

	Strongly Disagree						Strongly Agree
a) State and local government spending is now completely out of control	1	2	3	4	5	6	7
b) I don't see any value from the taxes I pay	1	2	3	4	5	6	7
c) I should not be responsible for funding social programs through the state and local taxes I pay	1	2	3	4	5	6	7
d) Assisting needy citizens is the most important function of government	1	2	3	4	5	6	7

3) Generally speaking, do you consider yourself to be a Democrat, Republican, Independent, Libertarian, Green or something else?

Democrat	<input type="checkbox"/>	<i>RECRUIT A MIX</i>
Republican	<input type="checkbox"/>	
Independent	<input type="checkbox"/>	
Libertarian	<input type="checkbox"/>	
Green	<input type="checkbox"/>	
Something else? SPECIFY:	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	THANK & TERMINATE

4a) How often do you vote in state and national elections? Would you say always, most of the time, some of the time or never?

Always	<input type="checkbox"/>	
Most of the time	<input type="checkbox"/>	
Some of the time	<input type="checkbox"/>	
Never	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	THANK & TERMINATE

4) Do you recall voting on the 2003 tax cap referendum also known as the Palesky Tax cap?

YES	<input type="checkbox"/>	GO TO Q5
NO	<input type="checkbox"/>	GO TO Q6
DK/REF	<input type="checkbox"/>	

5) How did you vote?

FOR the Palesky Tax Cap	<input type="checkbox"/>	<i>RECRUIT AT LEAST 2 PER GROUP</i>
AGAINST the Palesky Tax Cap	<input type="checkbox"/>	<i>RECRUIT AT LEAST 2 PER GROUP</i>
DK/REF	<input type="checkbox"/>	

6) How long have you lived in Maine?

Less than 5 years	<input type="checkbox"/>	<i>RECRUIT A MIX</i>
5 – 15 years	<input type="checkbox"/>	
More than 15 years	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	

7) Do you....?

Own your own home	<input type="checkbox"/>	<i>GO TO NEXT QUESTION</i>
Rent	<input type="checkbox"/>	GO TO Q9 <i>RECRUIT ONLY 3 PER GROUP</i>
DK/REF	<input type="checkbox"/>	THANK & TERMINATE

8) Into which of the following categories does your ANNUAL property tax payment fall?

Under \$1,000	<input type="checkbox"/>	<i>RECRUIT A MIX</i>
\$1,000 to \$3,000	<input type="checkbox"/>	
\$3,000 to \$5,000	<input type="checkbox"/>	
More than \$5,000	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	“IF YOU HAD TO CHOOSE ONE CATEGORY, WHICH WOULD YOU CHOOSE?” If still refuses, THANK & TERMINATE

9) What is your age?

Less than 50	<input type="checkbox"/>	THANK & TERMINATE
50 - 60	<input type="checkbox"/>	
61 - 70	<input type="checkbox"/>	
71 - 75	<input type="checkbox"/>	
75+	<input type="checkbox"/>	<i>RECRUIT NO MORE THAN ONE PER GROUP</i>

10) What is the highest level of education you have completed?

Elementary school	<input type="checkbox"/>	<i>RECRUIT A MIX</i>
Some high school	<input type="checkbox"/>	
Graduated High school/GED	<input type="checkbox"/>	
Some college, community college, tech graduate, Associates degree	<input type="checkbox"/>	
4 year college/Bachelor's degree	<input type="checkbox"/>	
Post graduate degree	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	THANK & TERMINATE

11) Which of the following categories does your ANNUAL family income fall? READ LIST.

Under 15,000	<input type="checkbox"/>	<i>RECRUIT NO MORE THAN ONE PER GROUP</i>
\$15,000 - \$25,000	<input type="checkbox"/>	<i>RECRUIT A MIX</i>
\$25,000 - \$50,000	<input type="checkbox"/>	
\$50,000 - \$75,000	<input type="checkbox"/>	
\$75,000 - \$100,000	<input type="checkbox"/>	
\$100,000+	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	“IF YOU HAD TO CHOOSE ONE CATEGORY, WHICH WOULD YOU CHOOSE?” If still refuses, THANK & TERMINATE

12) What is your employment status?

Working full time	<input type="checkbox"/>	<i>RECRUIT AT LEAST 4 PER GROUP WORKING FULL OR PART TIME</i>
Working part time	<input type="checkbox"/>	
Retired	<input type="checkbox"/>	
Unemployed/Looking for work	<input type="checkbox"/>	
Homemaker	<input type="checkbox"/>	
Disabled	<input type="checkbox"/>	<i>Recruit if person is mobile, can read and write and is able to attend a group</i>
Something else? (SPECIFY):	<input type="checkbox"/>	
DK/REF	<input type="checkbox"/>	THANK & TERMINATE

13) Have you participated in a focus group discussion within the past 6 months?

NO	<input type="checkbox"/>	
YES	<input type="checkbox"/>	THANK & TERMINATE
DK/REF	<input type="checkbox"/>	

14) And finally, since participants in focus groups are asked to express their thoughts and opinions freely in an informal group setting, we'd like to know how comfortable you are with such an exercise. Would you say you are...?

Very comfortable	<input type="checkbox"/>	<i>CONTINUE TO INVITATION</i>
Fairly comfortable	<input type="checkbox"/>	
Comfortable	<input type="checkbox"/>	
Not very comfortable	<input type="checkbox"/>	THANK & TERMINATE
Not at all comfortable	<input type="checkbox"/>	

INVITATION

[IF MEET QUALIFICATIONS, CONTINUE]

We would like to invite you to participate in a focus group discussion with about ten other people concerning state and local taxes. A professional moderator will lead the discussion and there is no sales effort involved. No preparation is required – we just want to hear your opinions.

**** IF THEY WANT TO KNOW WHO IS SPONSORING THE FOCUS GROUPS:**

AARP is sponsoring this research

The group will last for 2 hours and it will be held on Wednesday, May 17th at Market Decisions, which is located at 75 Washington Avenue, Suite 206, in Portland. Our office is located in the old brick JJ. Nissen Bakery Building.

If you have attended a focus group in the past with Market Decisions, please make note of our new address – we are no longer located in South Portland.

The times that we have available are:

	5:30 – 7:30 PM – Wednesday, May 17th - 2006
	7:30 – 9:30 PM – Wednesday, May 17th - 2006

You will receive \$50 in cash at the end of the session and your name will not be used in any way. The discussion will be audio and videotaped – but this is just for research purposes and will only be used by the research team. Light refreshments will also be served.

Will you be able to take part in this research discussion?

- NO – Not available
- NO – Not interested
- YES – READ BELOW

As these are small groups and with even one person missing, the overall success of the group may be affected, I would ask that once you have decided to attend that you make every effort. If for any reason you are unable to attend, please give us a call. This will enable us to find a replacement. You can contact Jen MacBride at 1-800-293-1538 extension 100.

Please arrive 15 minutes early so that we can sign you in and so you can enjoy some food. So we can send you a confirmation letter and a map to Market Decisions, may I please get your name and address? Or, if you prefer, the information can be sent via email as well. **RECORD ON FRONT PAGE.**

We look forward to you participation. Again my name is _____. Thank you for your time, Good night.

Appendix 3. Worksheet Results

Worksheet Results – Portland, Maine 5/17/06

Point-Counter Point

Group 1		Group 2	Statement
Average Rating - Credible*	Average Rating - Convincing*	Number of Participants who found Convincing	
			Point 1
3.30	3.00	7	"TABOR will control runaway state government spending and force the state government to operate more efficiently."
3.71	3.86	4	"TABOR will not solve the problem of wasteful spending and will take money away from the things we care about: healthcare and education."
			Point 2
2.80	2.60	5	"TABOR will create a better Maine with lower taxes."
3.25	3.50	5	"TABOR would decrease the quality of life in Maine, forcing major cuts in health care, education, and public safety."
			Point 3
2.33	2.33	0	"TABOR will help Maine's economy by returning money to taxpayers through tax rebates and tax cuts."
3.67	3.67	8	"Any money refunded to taxpayers under TABOR would be lost by the increased out-of-pocket expense they would bear. In Colorado, fees for services and licenses have increased, families have had to pay for school supplies such as textbooks, and children attended classes wearing coats because the heat had been turned down."
			Point 4
3.50	3.30	4	"TABOR will take power away from state politicians and put it back in the hands of the people by requiring that any tax increase be approved by voters."
2.50	2.67	8	"TABOR will not make lawmakers accountable. Instead, voters will have to become budget and tax experts, and will have to decide on every single tax increase that the state may need. "
			Point 5
2.56	2.44	7	"TABOR will be good for businesses because it will lower the taxes businesses have to pay to operate in the state."
2.80	2.80	3	"TABOR will cause businesses to leave or prevent them from relocating to Maine because the declining quality of life would drive desirable job applicants out of the state."
			Point 6
2.00	2.33	2	"TABOR will allow citizens to sue state government if they believe TABOR limits are not being met."
2.88	2.63	6	"TABOR will cost taxpayers more money and would cause further strains on the state budget to pay court costs and attorney fees if citizens could sue for enforcement of TABOR limits."

* Scale of 1 to 5, 1= Not very credible, or Very ineffective; 5=Very credible or Very effective

Anti-Tabor Messages

Group 1 5:30-7		Group 2 7:30-9		TOTAL		Message
# Priority	# W*	# Priority	# W*	# Priority	# W*	
4	2	3	0	7	2	Citizens already have a voice in their local governments; it is with our votes and our voices that city councils determine how our local dollars should be spent.
2	0	4	0	6	0	Colorado is the ONLY state where TABOR has been tried; it did such damage to schools and other services that voters suspended the law last year.
2	0	1	1	3	1	TABOR is a Proven Failure—Bad for Colorado, Worse for Maine
1	5	2	1	3	6	TABOR allows the minority to control the majority; no more majority rule.
2	0	1	0	3	0	The quality of our children's and grandchildren's education will be threatened by TABOR's limits.
4	1	3	1	7	2	TABOR creates gridlock at the local level and will hurt the services you care about most: health care, education and public safety.
7	0	8	0	15	0	TABOR puts a cap on spending but does nothing to make sure our needs are met.
2	3	0	0	2	3	You'll get a refund, but you'll need it. With TABOR in place, you may have to pay for your child to participate in sports.
4	2	1	6	5	8	TABOR will kick seniors out of their homes. Without services to help them stay in their homes, many seniors will have to go to nursing homes.
2	2	2	4	4	6	Helps the Rich and Hurts the Poor: TABOR cuts taxes for the rich and cuts services for the poor.
1	4	1	4	2	8	You may get a refund, but don't count on 911.
1	2	0	1	1	3	Under TABOR, funding for last winter's emergency heating oil assistance would have been impossible.
1	3	2	3	3	6	Don't let out-of-staters tell us how to run our state and our communities.
2	1	4	1	6	2	TABOR does not mean tax reduction and it will only delay real tax reform.
1	2	1	0	2	2	TABOR won't solve Maine's problems—it will make things worse
0	1	0	3	0	4	TABOR will take away the states' ability to care for its oldest citizens, just as when they need it most.
1	2	0	3	1	5	You may call, but no one will answer. TABOR will cut emergency services.
1	4	0	2	1	6	TABOR will rob older Mainers of their independence by cutting the services they need to stay in their own homes.
0	2	3	4	3	6	Good thing there's a refund---you're going to need it! With TABOR in place, you will have to pay more to register your car, dispose of your trash, use the turnpike, cross a bridge, hunt for deer, catch a fish, watch a game....

* W= "worst"

Worksheet Results - Auburn, Maine 5/18/06***Pro-TABOR Messages***

Group 1 Number of Respondents with 1 st , 2 nd or 3 rd Priority			Group 2 Number of Respondents with 1 st , 2 nd or 3 rd Priority			TOTAL				Statement:
1 st	2 nd	3 rd	1 st	2 nd	3 rd	1 st	2 nd	3 rd	ANY PRIORITY	
4	3	2	2	1	4	6	4	6	16	A. TABOR will control runaway state government spending and force the state government to operate more efficiently.
1	0	2	2	2	1	3	2	3	8	B. TABOR will help Maine's economy by returning money to taxpayers through tax rebates and tax cuts.
3	4	1	5	4	0	8	8	1	17	C. TABOR will take power away from state politicians and put it back in the hands of the people by requiring that any tax increase be approved by voters.
2	3	2	0	1	0	2	4	2	8	D. TABOR will create a better Maine with lower taxes.
0	0	2	1	1	3	1	1	5	7	E. TABOR will be good for businesses because it will lower the taxes businesses have to pay to operate in the state.
0	0	1	0	1	1	0	1	2	3	F. TABOR will allow citizens to sue state government if they believe TABOR limits are not being met.

Anti -TABOR Messages

Group 1 Number of Respondents with 1 st , 2 nd or 3 rd Priority			Group 2 Number of Respondents with 1 st , 2 nd or 3 rd Priority			TOTAL				Statement
1 st	2 nd	3 rd	1 st	2 nd	3 rd	1 st	2 nd	3 rd	ANY PRIORITY	
0	1	0	0	0	0	0	1	0	1	A. We already have a voice in local government: Town meeting allows us to decide how local dollars should be spent.
3	1	1	2	0	0	5	1	1	7	B. Colorado is the ONLY state where TABOR has been tried; it did such damage to schools and other services that voters suspended the law last year.
0	0	1	0	0	0	0	0	1	1	C. TABOR creates gridlock at the local level.
0	0	0	3	0	3	3	0	3	6	D. TABOR puts a cap on spending but does nothing to make sure our needs are met.
3	3	1	2	1	1	5	4	2	11	E. TABOR will force seniors out of their homes. Without services to help them stay, many seniors will have to go to nursing homes.
0	0	0	1	0	1	1	0	1	2	F. Don't let out-of-staters tell us how to run our state and our communities.
0	0	0	1	2	0	1	2	0	3	G. TABOR does not mean tax reduction and it will only delay real tax reform.
0	2	3	0	5	1	0	7	4	11	H. TABOR will not solve the problem of wasteful spending and will take money away from the things we care about: healthcare and education.
1	1	0	0	1	1	1	2	1	4	I. Any money refunded to taxpayers under TABOR would be lost by the increased out-of-pocket expense they would bear. In Colorado, fees for services and licenses have increased, families have had to pay for school supplies such as textbooks, and children attended classes wearing coats because the heat had been turned down.
3	0	1	1	0	1	4	0	2	6	J. TABOR will not make lawmakers accountable. Instead, voters will have to become budget and tax experts, and will have to decide on every single tax increase that the state may need.
0	2	2	0	1	2	0	3	4	7	K. Voting "no" on TABOR will preserve the services we care about most: health care, education and public safety.

AARP
Knowledge Management
For more information contact Kate Bridges at (207) 899-2094.