PPIC STATEWIDE SURVEY

DECEMBER 2003

Special Survey of Orange County

in collaboration with the

University of California, Irvine

.....

Mark Baldassare

Research Director & Survey Director

Public Policy Institute of California

The Public Policy Institute of California (PPIC) is a private operating foundation established in 1994 with an endowment from William R. Hewlett. The Institute is dedicated to improving public policy in California through independent, objective, nonpartisan research.

PPIC's research agenda focuses on three program areas: population, economy, and governance and public finance. Studies within these programs are examining the underlying forces shaping California's future, cutting across a wide range of public policy concerns, including education, health care, immigration, income distribution, welfare, urban growth, and state and local finance.

PPIC was created because three concerned citizens – William R. Hewlett, Roger W. Heyns, and Arjay Miller – recognized the need for linking objective research to the realities of California public policy. Their goal was to help the state's leaders better understand the intricacies and implications of contemporary issues and make informed public policy decisions when confronted with challenges in the future. PPIC does not take or support positions on any ballot measure or on any local, state, or federal legislation, nor does it endorse, support, or oppose any political parties or candidates for public office.

David W. Lyon is founding President and Chief Executive Officer of PPIC. Raymond L. Watson is Chairman of the Board of Directors.

Public Policy Institute of California
500 Washington Street, Suite 800 • San Francisco, California 94111
Telephone: (415) 291-4400 • Fax: (415) 291-4401
info@ppic.org • www.ppic.org

Preface

The Orange County Survey – a collaborative effort of the Public Policy Institute of California and the School of Social Ecology at the University of California, Irvine – is a special edition of the PPIC Statewide Survey.

This is the third in an annual series of PPIC surveys of Orange County. Mark Baldassare, the director of the PPIC Statewide Survey, is the founder and director of the Orange County Annual Survey at UCI and a former UCI professor. The UCI survey was conducted 19 times from 1982 to 2000, so the Orange County Survey collaboration between PPIC and UCI that began in 2001 is an extension of earlier survey efforts. The special survey of Orange County is co-sponsored by UCI with local support from Deloitte and Touche, Pacific Life Foundation, Disneyland, *Los Angeles Times*, Orange County Business Council, Orange County Division of League of California Cities, *Orange County Register*, The Irvine Company, and United Way of Orange County.

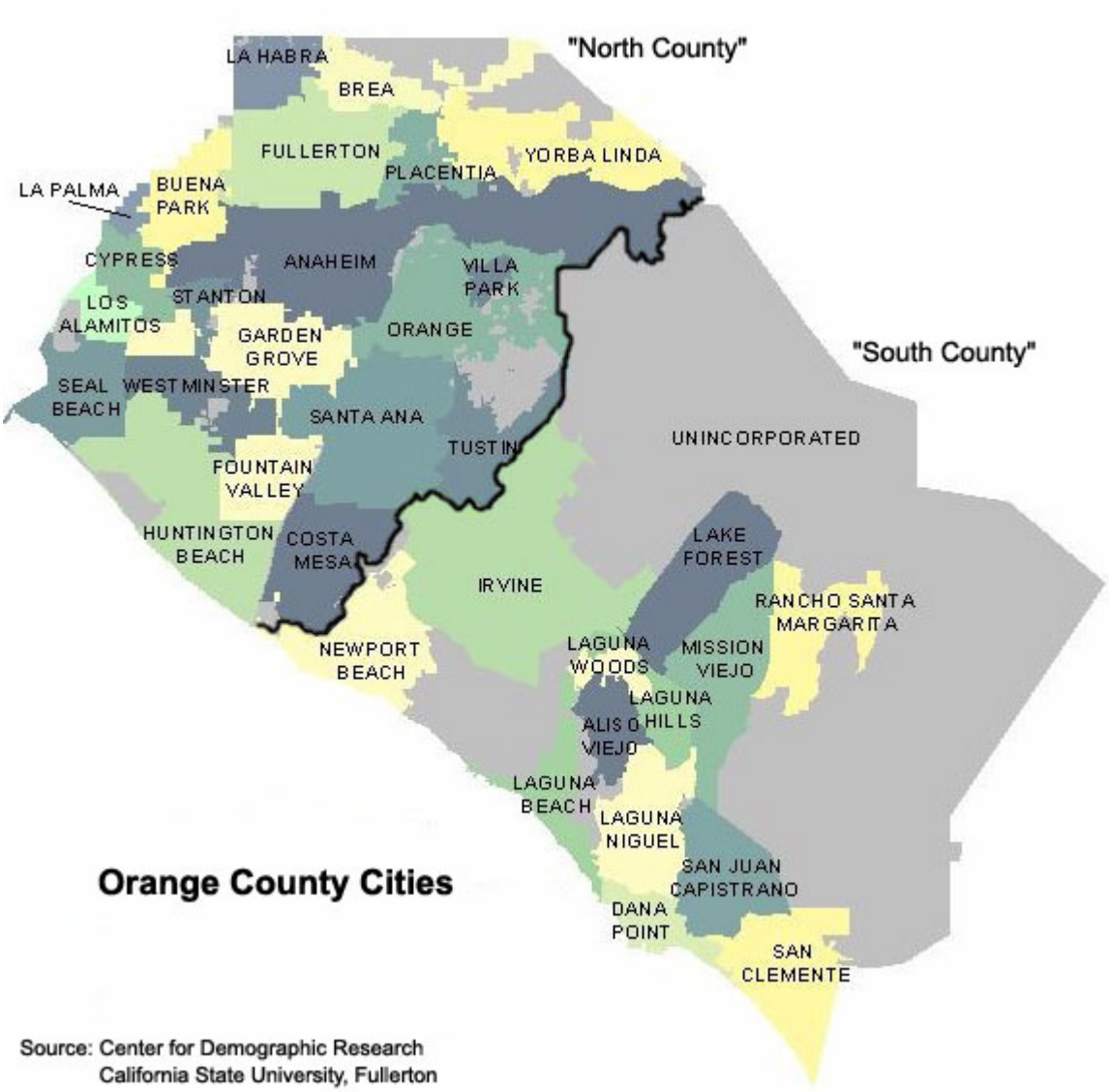
Orange County is the second most populous county in the state and one of California's fastest growing and changing regions. The county is home to almost three million residents today, having gained approximately one million residents since 1980. Three in four residents were white and non-Hispanic in 1980; today, nearly half are Latinos and Asians. The county's dynamic economy has become one of the leaders in the high-technology industry. The county is a bellwether county in politics and the site of many important governance issues, including a county-government bankruptcy, public controversy over the reuse plans for the closed El Toro Marine Corps Air Station, and the use and expansion of toll roads. There are also housing, transportation, and environmental concerns related to development.

Public opinion findings are critical to informing discussions and resolving public debates on key issues. The purpose of this study is to inform policymakers by providing timely, accurate, and objective information about policy preferences and economic, social, and political trends.

To measure changes over time, this survey of 1,004 adult residents includes questions from earlier Orange County Annual Surveys. It also includes key indicators from the PPIC Statewide Survey for comparisons with the state and regions of California. We also consider racial/ethnic, income, and political differences. The following issues are explored in this Orange County Survey:

- Orange County Issues – What are the trends over time in ratings of life in Orange County? How satisfied are residents with their finances, local public services, local government, the economy, and with the quality of life in Orange County? Compared to other regions of the state, how much of a problem are issues such as traffic congestion, the economy, growth, and housing in Orange County? What are residents' preferences for transportation plans and local transportation taxes?
- State Issues – What is the overall outlook for the state and the California economy? How much confidence do residents have in state government, and how do they want to see the state's budget issues resolved? How do residents rate the current plans and policies of Governor Schwarzenegger, and what do they see as the top policy priorities for the new administration in Sacramento?
- National Issues – What is the outlook for the United States and the national economy? How do residents rate the overall performance of President Bush and his handling of the economy and terrorism? Which party do they trust when it comes to handling issues such as the economy, health care, and national security? What are their early preferences in the 2004 national elections?

Copies of this report may be ordered by e-mail (order@ppic.org) or phone (415-291-4400). Copies of this and earlier reports are posted on the publications page of the PPIC web site (www.ppic.org). For questions about the survey, please contact survey@ppic.org.



Source: Center for Demographic Research
California State University, Fullerton

Contents

Preface	**i**
Press Release	**v**
Orange County Issues	**1**
State Issues	**9**
National Issues	**15**
Survey Methodology	**19**
Survey Questions and Results	**21**
Survey Advisory Committee	**27**

Press Release

SPECIAL SURVEY OF ORANGE COUNTY

IT'S A WONDERFUL LIFE: ORANGE COUNTY'S UPBEAT ATTITUDE STANDS OUT IN DIFFICULT TIMES

County's Consumer Confidence Way Up; High Ratings For Schwarzenegger, But Budget Strategy May Trouble Residents

SAN FRANCISCO, California, December 3, 2003 — Whatever economic or political turmoil is embroiling California and the country, Orange County residents believe in happy endings. They are not only positive about the future and quality of life in their own county, but their confidence extends to the state and nation, according to a survey released today by the Public Policy Institute of California (PPIC) and the University of California, Irvine. In fact, Orange County residents are considerably more optimistic than Californians as a whole.

Case in point: Half (50%) of Orange County residents say California is headed in the right direction today, while only 32 percent of residents statewide said the same in PPIC's November 2003 Statewide Survey. Even California's uneasy economic situation hasn't seriously dampened confidence in Orange County as it has in the rest of the state: 56 percent of county residents anticipate California will see good financial times in the next year, compared to 39 percent of all Californians.

"The optimism Orange County residents feel toward the state may reflect the almost universally favorable views they have about their own quality of life," says PPIC Statewide Survey Director Mark Baldassare. The survey found that nine in ten residents (90%) believe that things are going well for the quality of life in Orange County – an increase of over 30 percentage points since 1993. And despite the state's tough economic times, majorities of Orange County residents rate the local economy as excellent or good (57%) and do not believe the county is in a recession (55%). More residents think Orange County will be a better place to live in the future (33%) or will stay the same (33%) than believe it will be a worse place to live (28%).

Optimism Extends to Consumers, Real Estate Market

The Orange County Consumer Confidence Index has climbed 7 points to reach 97 this year – surpassing the national index (90). High expectations for the national economy over the next twelve months are largely driving the upsurge: 63 percent of county residents expect good business conditions nationwide next year. Views on national business conditions diverge along partisan lines, with more Republicans (79%) than Democrats (49%) foreseeing good times. The longer-term, five-year outlook is not as rosy, with only slightly more residents anticipating good (47%) national conditions rather than bad (42%).

Other factors affecting Orange County's rising index: 53 percent of residents report an improvement in their personal finances, up slightly from 50 percent a year ago. And although just under half of residents (45%) expect to be in better financial shape in a year, only 6 percent believe they will be in worse shape.

Orange County residents also display overwhelming confidence in the local real estate market, despite high housing costs. The number of homeowners who say buying a home in the county is an excellent or good investment has reached a new peak (86%), a 4-point rise over last year. This level of confidence might be expected from homeowners, but the view is shared by a large majority of renters (69%), as well as residents in all parts of the county (South County – 83%, North County – 78%) and whites (82%) and Latinos (76%).

OC Gives Schwarzenegger Thumbs Up… and a To-Do List

By a more than two-to-one margin (55% to 25%), Orange County residents approve of Governor Arnold Schwarzenegger's plans and policies for the future, making residents here more supportive of the new leader than Californians as a whole (47% approve, 25% disapprove). Predictably, approval ratings divide along party lines, with 80 percent of county Republicans, 50 percent of independents, and 40 percent of Democrats voicing approval for Schwarzenegger's plans. There is little partisan division when it comes to what the governor's main concerns in office should be: Similar majorities of Republicans, Democrats, and independents believe jobs and the economy (68%, 67%, 62%, respectively) and the state budget and taxes (82%, 72%, 71%) should be Schwarzenegger's top priorities.

Despite his popularity, the new governor's proposal to place a bond on the March ballot as a way of dealing with the state's multi billion dollar deficit may not resonate with county residents. In fact, only 8 percent of residents think it is all right to address the state's budget problem by borrowing money and running a deficit, while far more prefer a mixture of spending cuts and tax increases (39%), or mostly spending cuts (36%). "Orange County residents have a fairly conservative economic outlook, so it's not surprising that they don't like the idea of further borrowing and prefer serious belt tightening," says Baldassare. Indeed, three in four local residents (75%) and likely voters (78%) say the state could spend less and still provide the same level of services. Six in 10 residents believe services can be maintained if cuts are not deeper than 20 percent.

Orange County's suspicion about wasteful spending goes hand-in-hand with a general feeling of mistrust toward state government: Only three in 10 residents believe that Sacramento lawmakers do the right thing most of the time. These convictions are revealed in residents' preference for smaller government: 54 percent would rather pay lower taxes for less government with fewer services, while only 38 percent prefer paying higher taxes for a larger government with more services. Attitudes diverge sharply along both party and racial and ethnic lines. Republicans strongly prefer smaller government (75% to 18%), while a majority of Democrats prefer larger government (51% to 41%). Whites choose smaller government (65% to 29%), and Latinos favor larger government (61% to 29%).

Hometown Heroes? Kudos for Local Government, Services

In contrast to their feelings about the state, Orange County residents are highly satisfied with their city and county governments and services. Over half (53%) give their city government a rating of excellent or good, while 40 percent say the same about the county. Approval is even stronger when it comes to local services: Residents give excellent or good ratings to parks and recreational facilities (81%), police protection (79%), freeways and streets (67%), and public schools (58%). Fewer residents believe that spending cuts can also be made at the local government level without reducing services, even though a majority (63%) still hold this view. By way of comparison, in the March 2003 Survey of Los Angeles County, residents were much less likely to express positive views about their local services.

Bush Country

Orange County residents would vote to re-elect President George Bush if the 2004 presidential election were held today. Residents support Bush over any Democratic nominee (46% to 34%) – among likely voters the margin increases (51% to 33%). Statewide numbers from the September 2003 Statewide Survey are nearly the reverse: 46 percent support the Democrat and 37 percent support Bush. National polls show that Americans are evenly divided. Not surprisingly, Orange County residents (59%) give Bush higher overall approval ratings than residents in the state (48%) or nation (52%) as a whole.

OC Residents Feel Pain of Local Ills Less Than Others in State; Transportation Twist

Although many Orange County residents rank traffic congestion (56%), housing affordability (51%), growth and development (33%), and lack of well-paying jobs (23%) as big problems, they are less troubled by these issues than residents in other regions of the state. Housing is a greater concern in the San Francisco Bay Area (76%), growth is a bigger problem in Los Angeles County (48%), and both San Francisco and Los Angeles area residents find traffic congestion more bothersome (70% and 72%, respectively), according to the July 2003 Statewide Survey.

With traffic congestion topping the county's perceived problems, residents rank freeway and highway improvements as their highest priority for transportation funds (33%), followed by a light rail system (21%), the public bus system (18%), and local streets and roads (14%). However, while more than two-thirds of residents are satisfied with the way the Measure M sales tax funds are being used to fund transportation projects, support for extending the tax beyond its 2011 expiration date falls just short of the two-thirds majority requirement among adults (65%) and registered voters (62%). In a further twist, nearly half of residents (49%) and a majority of registered voters (53%) oppose lowering the supermajority requirement to 55 percent.

More Key Findings

- **Shop 'Til You Drop** (page 2)

Sixty-two percent of Orange County residents say it is a good time to make major purchases.

- **Ethnic Divide** (pages 4 and 5)

Orange County Latinos (12%) are far more likely than whites (2%) to consider crime the county's biggest problem, while more whites (21%) than Latinos (5%) cite growth and development. On the employment front, Latinos (44%) are nearly three times as likely as whites (15%) to say the lack of well-paying jobs is a big problem.

- **So Close Yet So Far: North vs. South** (pages 1 and 7)

South County residents (70%) are significantly more likely than those in the North (53%) to rate the county's economy as excellent. On transportation issues, the South is more enthusiastic about toll roads (65% to 47%), while the North more strongly favors building a light rail system (73% to 65%).

About the Survey

The Special Survey of Orange County – a collaborative effort of PPIC and the School of Social Ecology at UC Irvine – is a special edition of the PPIC Statewide Survey. This is the third in an annual series of PPIC surveys of Orange County. Findings of the current survey are based on a telephone survey of 1,004 adult Orange County residents interviewed from November 4 to November 10, 2003. Interviews were conducted in English or Spanish. The sampling error for the total sample is +/- 3%. The sampling error for subgroups is larger. For more information on survey methodology, see page 19.

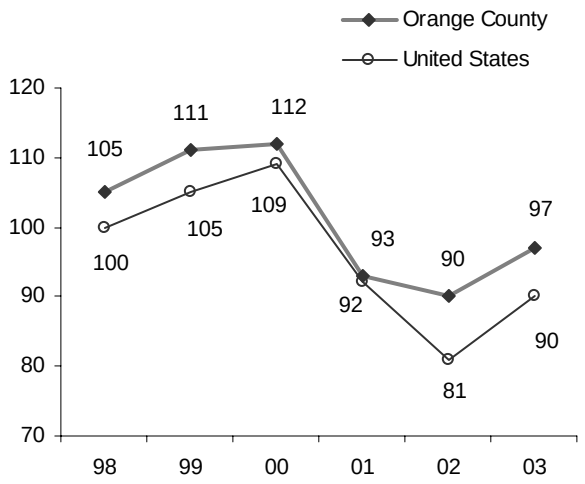
Mark Baldassare is research director at PPIC, where he holds the Arjay and Frances Fearing Miller Chair in Public Policy. He is founder of the PPIC Statewide Survey, which he has directed since 1998. From 1982 to 2000, Dr. Baldassare directed the Orange County Annual Survey for UC Irvine. His most recent book, *A California State of Mind: The Conflicted Voter in a Changing World*, is available at www.ppic.org.

PPIC is a private, nonprofit organization dedicated to improving public policy through objective, nonpartisan research on the economic, social, and political issues that affect Californians. The institute was established in 1994 with an endowment from William R. Hewlett. PPIC does not take or support positions on any ballot measure or on any local, state, or federal legislation, nor does it endorse, support, or oppose any political parties or candidates for public office.

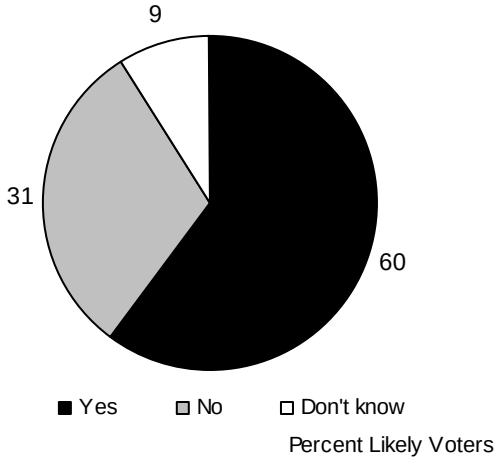
This report will appear on PPIC's website (www.ppic.org) on December 3.

###

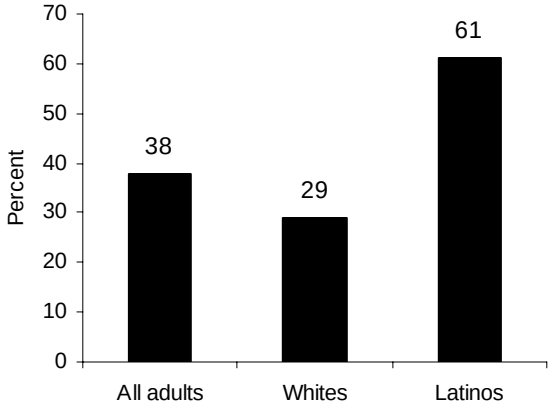
Consumer Confidence Index



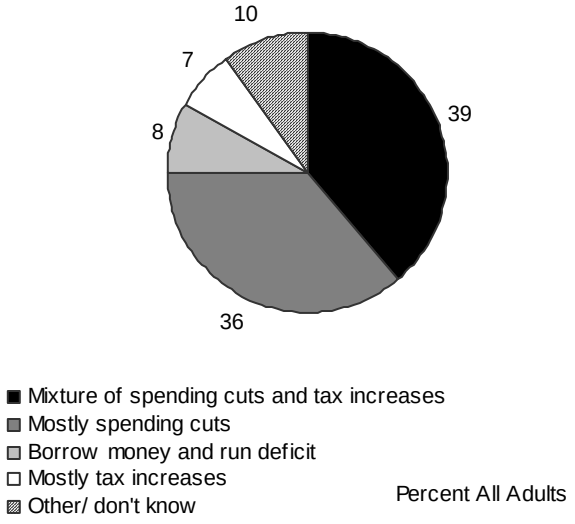
Ballot measure to extend the half-cent transportation sales tax another 20 years



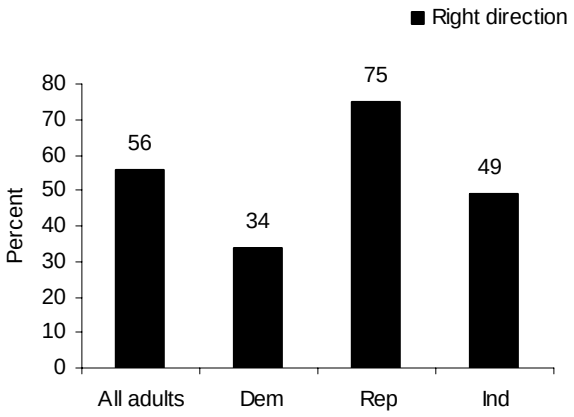
Those who say they would rather pay higher taxes for a larger state government that provides more services



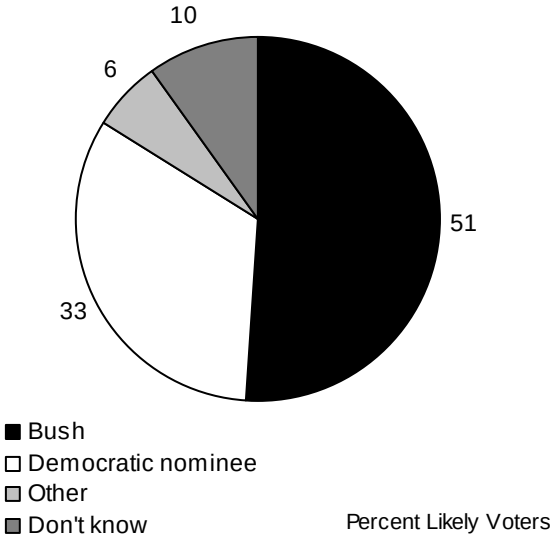
How do you prefer to deal with the state budget deficit?



Is the U.S. going in the right direction or the wrong direction?



Bush Versus Democratic Nominee



Orange County Issues

County Conditions Today

Orange County residents are considerably more upbeat about quality of life and economic conditions now than they were 10 years ago. Thinking about the quality of life in the county today, 90 percent say things are going very well (32%) or somewhat well (58%). Positive ratings of the county's quality of life have climbed 30 points since 1993 and have remained near 90 percent for the sixth year in a row. However, things seem more positive to some groups than to others: Whites are more likely than Latinos (38% to 19%), and South County more likely than North County residents (45% to 26%), to say things are going very well in Orange County.

As for the future, residents are about evenly split among those who think the county will be a better (33%) than a worse (28%) place to live or that there will be no change (33%). Latinos (47%) are more optimistic than whites (25%), while North County and South County residents are almost equally optimistic (34% to 31%) about the future.

Although the percentage of residents who rate the Orange County economy as excellent or good (57%) is about the same this year as last, it is 37 points higher than it was a decade ago. Today, the percentage of positive responses on the county economy rises with income and is higher among whites than Latinos (67% to 41%) and among South County than North County residents (70% to 53%).

The specter of recession does not loom large in Orange County. The majority of residents (55%) believe that the county is not in a recession. However, 36 percent believe it is experiencing a mild (10%), moderate (19%), or serious (7%) recession. These perceptions are about the same as in 2002. The county's economic troubles are seen as worse among those with incomes below $40,000 than those making $80,000 or more (35% to 15%) and among renters than homeowners (35% to 19%).

"Thinking about the quality of life in Orange County, how do you think things are going?"

All Adults	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Going well	60%	71%	68%	82%	88%	91%	92%	91%	90%	89%	90%
Going badly	40	29	32	18	12	9	8	9	10	11	10

"In general, how would you rate the economy in Orange County today?"

All Adults	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Excellent / Good	20%	28%	19%	44%	63%	76%	78%	79%	74%	58%	57%
Fair	49	54	50	45	32	20	19	17	21	34	33
Poor	30	17	30	10	4	3	2	2	4	6	8
Don't know	1	1	1	1	1	1	1	2	1	2	2

Source for Orange County from 1993 to 2000 is the Orange County Annual Survey at UCI by Mark Baldassare and Cheryl Katz.

Consumer Confidence

Although perceptions of economic conditions haven't changed substantially since last year, Orange County consumer confidence is on the rise, apparently driven by optimism about the nation's economy. The Orange County Consumer Confidence Index has climbed 7 points in the past year. This mirrors the national trend in which the nation's index rose by 9 points. However, Orange County's consumer confidence index is higher than the nation's, standing at 97 compared to the nation's index of 90. This is the second recovery in the past 10 years. The index today is 24 points higher than in 1993, although it is still well below the exuberance of the late 1990s and the year 2000.

The Consumer Confidence Index for Orange County is calculated using a formula provided by the University of Michigan, which computes scores for each of five questions and then adjusts for the 1966 base period. A score above 100 on the confidence index is considered very good; the average national score over the past 50 years is 85. Findings for the individual items that make up the Orange County index:

The greatest increase is in expectations for the national economy over the next 12 months. Today, 63 percent of county residents anticipate good business conditions, up 16 points from 2002.

As for the five-year U.S. economic outlook, 47 percent anticipate good economic times; 42 percent expect bad times. This is unchanged from 2002.

Fifty-three percent report that their personal finances improved over the past year, up slightly from 50 percent in 2002. Only 26 percent say they are worse off this year, compared to 30 percent last year.

Forty-five percent of county residents expect to be in better financial shape a year from now, similar to the 47 percent last year. Another 45 percent think they will be the same as they are today, and only 6 percent think they will be worse off.

Despite any lingering qualms about the economy, local residents are enthusiastic about shopping. Today, 62 percent say now is a good time to make major purchases, while just 27 percent call it a bad time. These numbers are virtually unchanged from last year.

In general, higher-income residents express greater economic confidence. Whites are more likely than Latinos to consider today a good time to make major purchases (69% to 50%) and to expect the economy to be in good shape five years from now (50% to 42%). Nevertheless, when it comes to personal finances, Latinos are somewhat more likely than whites to say that they will be better off a year from now than today (49% to 43%).

Republicans are especially upbeat about national business conditions over the next 12 months: Seventy-nine percent in the GOP expect good times compared to 49 percent of Democrats. As for the five-year outlook, however, confidence among Republicans drops to 59 percent. Among Democrats, only 32 percent think that the nation will have good economic times over the next five years.

Five-Question Consumer Confidence Index

	All Adults										
	1993	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
Orange County	73	89	90	101	110	105	111	112	93	90	**97**
United States	75	92	94	95	107	100	105	109	92	81	**90**

Source for Orange County from 1993 to 2000 is Orange County Annual Survey at UCI by Mark Baldassare and Cheryl Katz. Source for the United States is the University of Michigan; October 2003 figures were the most current at time of publication.

Real Estate Market

Although many Orange County residents say that housing costs pose a burden for them, confidence in the real estate market is overwhelmingly strong. The percentage of homeowners saying that buying a home in the county is an excellent or good investment has reached a new peak, at 86 percent. This is a 4-point rise in the past year, and a 36-point climb since this assessment's low point in 1995. Only 2 percent of homeowners today think real estate in Orange County is a bad investment.

Among renters, 69 percent now believe that buying a home in the county is an excellent or good investment; 15 percent consider it a fair investment; and 13 percent think it would be a bad investment. While this remains a high level of confidence, it is four points lower than last year. Even with increasing costs, however, renters are, so far in this decade, much more positive about the value of buying a home than they were before 2001.

Regionally, confidence in home-buying today is as high among homeowners in the South as in the North County, with 86 percent in both areas saying it is an excellent/good or fair investment. This represents a 6-point rise in the North County since 2002 and may signal a new trend in the housing market. Previously, confidence in the real estate market was consistently lower in the North County than in the South. North County renters, however, are still less likely than those in the South to say that owning a home in Orange County would be an excellent or good investment (North, 67%; South, 75%). Despite their lower rates of homeownership, Latinos are nearly as likely as whites to say buying a home in Orange County is an excellent or good investment (76% to 82%).

"Do you think that buying a home in Orange County is an excellent, good, fair, or poor investment?"

	All Adults										
	1993	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
Homeowners											
Excellent / Good	59%	57%	50%	60%	70%	75%	75%	75%	83%	82%	**86%**
Fair	26	28	31	30	23	18	19	18	11	11	**9**
Poor	14	14	18	8	6	5	5	5	5	6	**2**
Don't know	1	1	1	2	1	2	1	2	1	1	**3**
Renters											
Excellent / Good	53%	47%	41%	45%	56%	61%	56%	57%	70%	73%	**69%**
Fair	25	30	32	34	29	25	27	25	17	15	**15**
Poor	20	20	25	17	9	12	13	15	11	11	**13**
Don't know	2	3	2	4	6	2	4	3	2	1	**3**

Source for Orange County from 1993 to 2000 is the Orange County Annual Survey at UCI by Mark Baldassare and Cheryl Katz.

Most Important Countywide Problem

When residents are asked to name the most important issue facing Orange County today, four topics cluster tightly at the top of the list: Population growth and development, at 15 percent, and traffic and transportation, housing, and jobs and the economy, with 13 percent each. Over the last three years, concern over jobs and the economy has increased, concern over population and growth has fallen, and concern about El Toro has virtually evaporated.

Top four county issues mentioned in Orange County surveys	All Adults		
	2001	2002	2003
Population growth and development	21%	20%	**15%**
Traffic and transportation	12	16	**13**
Housing issues	13	12	**13**
Jobs and the economy	4	8	**13**
El Toro Airport	14	4	**1**

Perception of the county's most important issue varies significantly by region and race/ethnicity. In the South County, 20 percent name population growth and development as the top concern, putting it well ahead of other issues. In the North County, only 14 percent mention this topic. Whites are much more likely than Latinos to name growth and development as the most important issue (21% to 5%) and are also more concerned about traffic (16% to 6%). In contrast, Latinos are more inclined than whites to name jobs and the economy (17% to 10%) and crime and gangs (12% to 2%) as the top county issues.

By way of comparison, Los Angeles County residents in our March 2003 survey expressed very different concerns: Twenty-six percent named crime as their top concern, compared to 5 percent in Orange County; and 15 percent of Angelenos said that schools are the most important county issue, compared to 5 percent in Orange County.

"What do you think is the most important issue facing Orange County today?"

	All Adults	Region		Race/ Ethnicity	
		North	South	White	Latino
Population growth and development	15%	14%	20%	21%	5%
Traffic and transportation	13	13	13	16	6
Housing issues	13	13	13	13	12
Jobs and the economy	13	13	10	10	17
Schools and education	5	5	5	5	3
Immigration, legal and illegal	5	5	4	6	3
Crime and gangs	5	6	2	2	12
State budget, deficit	3	3	3	3	1
Environment, pollution	2	1	2	3	0
Other	9	9	13	11	10
Don't know	17	18	15	10	31

Problems in Orange County's Regions

When asked specifically about four problems in their part of Orange County, majorities of residents rate traffic (56%) and housing affordability (51%) in their region as big problems. One in three (33%) rate population growth and development, and one in four (23%) see a lack of lucrative job opportunities as serious problems. Concern over traffic and the availability of affordable housing has risen, while worries about good jobs have fallen somewhat since last year.

Percent seeing the issue as a big problem in their region	All Adults		
	2001	2002	2003
Traffic congestion on freeways and major roads	54%	51%	**56%**
Availability of housing you can afford	48	44	**51**
Population growth and development	29	32	**33**
Lack of opportunities for well-paying jobs	19	28	**23**

As a comparison with the July 2003 PPIC Statewide Survey shows, Orange County residents are less likely than Californians as a whole to rank any of these issues as big problems in their region. Housing costs are a much greater concern in the Bay Area (76%); growth is a larger problem in Los Angeles (48%); and traffic is more bothersome in both the San Francisco Bay Area (70%) and Los Angeles County (72%).

Percent seeing the issue as a big problem in their region	All California	Region		
		SF Bay Area	Los Angeles	Orange County
Traffic congestion on freeways and major roads	62%	70%	72%	**56%**
Availability of housing you can afford	56	76	56	**51**
Population growth and development	42	42	48	**33**
Lack of opportunities for well-paying jobs	40	44	38	**23**

There are, however, significant differences by race/ethnicity in Orange County. On the one hand, Latinos are considerably more likely than whites to see the lack of jobs as a serious regional problem (44% to 15%). Whites, on the other hand, are more concerned than Latinos about traffic (64% to 41%) and population growth (39% to 21%). The scarcity of well-paying job opportunities is also seen as a bigger problem by younger people (31%), those who lack a college education (39%), and those with incomes below $40,000 (38%). The shortage of affordable housing is especially difficult for renters, 62 percent of whom call it a big problem in their part of Orange County.

Percent seeing the issue as a big problem in their region	All Adults	Region		Race/ Ethnicity	
		North	South	White	Latino
Traffic congestion on freeways and major roads	56%	57%	53%	64%	41%
Availability of housing you can afford	51	51	50	52	51
Population growth and development	33	33	31	39	21
Lack of opportunities for well-paying jobs	23	28	11	15	44

Local Transportation Priorities and Funding

When asked about a list of local transportation projects, 33 percent of Orange County residents say freeway and highway improvements should have the highest priority for transportation funds. Another 21 percent favor building a light rail line, 18 percent choose expanding the public bus system, and 14 percent want upgrades to local streets and roads. These priorities are very similar to those expressed last year.

Funding freeways and highways is the top choice for transportation dollars in North and South County alike. South County residents, however, give a higher priority than those in the North to building a light rail system (27% to 19%). North County residents give slightly higher priority than South County residents to funding local streets and roads (15% to 11%) and local public buses (19% to 14%).

For Latinos, support for expanding the bus system is the top choice for transportation funding, and they rank it much more highly than whites (30% to 11%). Only one-quarter of Latinos want freeways and highways to be the top transportation priority, compared to 37 percent of whites. Those with incomes below $40,000 also say public buses should be the primary focus for transportation funding.

More than two-thirds of Orange County residents are somewhat (58%) or very (10%) satisfied with the way Measure M sales tax funds are being used for transportation projects. These percentages are similar to percentages over the past few years. Satisfaction is high in the North (70%) and the South County (62%).

Despite this satisfaction, support for extending the Measure M sales tax beyond its current 2011 expiration date falls just short of the two-thirds majority requirement among all adults (65%) and registered voters (62%). Although support does reach a supermajority among Democrats (69%), only a simple majority of Republicans (59%) and independents (60%) say they would vote in favor of extending the sales tax. Among likely voters, 60 percent would vote yes, 31 percent would vote no, and 9 percent are not sure.

Moreover, residents are not ready to lower the requirement for passing a local sales tax from a two-thirds majority to 55 percent. Nearly half of residents (49%) and a majority of registered voters (53%) oppose lowering the requirement, while 44 percent of residents and 41 percent of likely voters support it. A majority of Democrats would vote to lower the requirement, but 60 percent of Republicans are against it. Among likely voters, 39 percent would vote yes, 56 percent would vote no, and 5 percent are not sure. Latinos (62%) are much more likely than whites (36%) to favor the measure.

		All Adults	Party Registration			Likely Voters
			Dem	Rep	Ind	
If an election were held today, would you vote yes or no on an Orange County ballot measure to extend the half-cent sales tax another 20 years?	**Yes**	65%	69%	59%	60%	60%
	No	26	25	33	29	31
	Don't know	9	6	8	11	9
If there was a state ballot measure that would change the two-thirds majority to a 55 percent vote for passing a local sales tax for transportation projects, would you vote yes or no?	**Yes**	44%	53%	32%	45%	39%
	No	49	41	60	49	56
	Don't know	7	6	8	6	5

Local Transportation Projects

Local residents are positive about the effects of the existing toll roads and a proposed light rail line on the transportation system in Orange County.

A majority of residents (52%) believe the toll roads—including the Foothill, San Joaquin Hills, and Eastern Corridor—have been a good thing for the transportation system. Only 15 percent say they have been bad for Orange County, while 22 percent say they have made no difference. The responses were similar in our 2001 Orange County survey.

Approval for toll roads is considerably higher in the South County than in the North County (65% to 47%). The toll roads are also favored more by younger people (57%) and those with incomes of $80,000 or more (64%). Republicans (59%) more likely than Democrats (49%) to think the toll roads have been a good thing for the county's transportation system.

Residents are even more positive about a proposed light rail line that would link the county's large cities and major employment centers: Seventy percent think it is a good idea, 10 percent think it's bad, and 15 percent say it would make no difference.

This proposal of a light rail transit line receives more enthusiastic support in the North County than in the South County (73% to 65%). However, as mentioned above, South County residents are more likely than those in the North to give a light rail system top priority for funding over other transportation projects (27% to 19%). A majority in all demographic and political groups support light rail, but favor is higher among women than men (74% to 67%) and among Latinos than whites (80% to 67%).

		All Adults	Region	
			North	South
Do you think that the toll roads – including the Foothill, San Joaquin Hills, and Eastern Corridor – have been a good thing or a bad thing for the Orange County transportation system, or have they made no difference?	**Good thing**	52%	47%	65%
	Bad thing	15	14	16
	No difference	22	25	14
	Don't know	11	14	5
Do you think that a light rail transit line linking the large cities and major employment centers would be a good idea or a bad idea for the Orange County transportation system, or would it make no difference?	**Good thing**	70%	73%	65%
	Bad thing	10	9	13
	No difference	15	14	18
	Don't know	5	4	4

Local Public Services and Local Government Ratings

Orange County residents are highly satisfied with their local services. Despite the difficult fiscal situations faced by local and state governments, most residents think that their city government is performing well. About eight in 10 rate their local parks and police protection as excellent or good, and two in three give positive ratings to local roads. About six in 10 residents give excellent or good ratings to their public schools. However, ratings of city government, police, and public schools have all shown small declines since last year. Residents also believe their local governments are doing well in solving problems; 53 percent give their city government and 40 percent give the county government an excellent or good rating on that score.

Percent giving excellent or good ratings	All Adults		
	2001	2002	2003
Local parks, beaches, and other public recreational facilities	81%	82%	**81%**
Local police protection	82	83	**79**
Local freeways, streets, and roads	68	66	**67**
Local public schools	61	63	**58**
City government's performance	Not asked	58	**53**
County government's performance	43	42	**40**

As for regional variations in local service ratings, local parks, police, and roads receive higher grades in the South County than in the North County, while both regions have similar views of their public schools. In terms of racial/ethnic differences, Latinos are considerably more positive than whites about the schools (71% to 54%), while whites are happier than Latinos with local parks (85% to 77%). South County residents and Latinos are somewhat more positive about the performance of their city and county governments. There are no party differences in ratings of city and county governments.

By way of comparison, Los Angeles County residents in our March 2003 survey were much less likely than Orange County residents to express positive views of their local parks (62% to 81%), police protection (62% to 79%), roads (46% to 67%), schools (41% to 58%), city government (39% to 53%), and county government (24% to 40%).

Percent saying services are excellent or good	All Adults	Region		Race/ Ethnicity	
		North	South	White	Latino
Local parks, beaches, and other public recreational facilities	81%	77%	92%	85%	77%
Local police protection	79	77	83	81	79
Local freeways, streets, and roads	67	62	78	66	70
Local public schools	58	57	60	54	71
City government	53	39	44	36	50
County government	40	39	44	36	50

State Issues

California Conditions Today

Orange County residents are in a fairly upbeat mood about their state in the wake of the political changes brought about by the governor's recall election. Half of Orange County residents believe the state is headed in the right direction today, while four in 10 say it is going in the wrong direction. Taken in the context of the most recent PPIC Statewide Survey in November, Californians as a whole have a much more pessimistic view of the state of their state: Fifty-two percent thought that California was headed in the wrong direction, while only 32 percent said it was headed in the right direction.

Positive assessments about the state are similar in North County and South County, among Latinos and whites, homeowners and renters, men and women, and across education and income groups. Residents who are younger than age 35 are more likely than older residents to say the state is headed in the right direction. The most striking differences in evaluations of the state of the state are partisan in nature: Republicans (58%) are the most likely to say that the state is headed in the right direction, followed by independents (47%) and Democrats (41%). These responses are consistent with recent statewide surveys, which find Republicans gaining more confidence in the state since the October 7th recall election.

Orange County residents are generally optimistic about the state's economy: Fifty-six percent expect good times, while 35 percent anticipate bad times. Once again, Orange County residents have a more positive outlook than Californians as a whole: In our November statewide survey, only 39 percent of residents said they anticipated good economic times, and 47 percent expected bad times. Younger Orange County residents are more optimistic than older residents; but otherwise, responses are similar across regions, demographic groups, and racial/ethnic categories. Following a trend in our recent statewide survey, Republicans are more upbeat than Democrats or independents about the near-term future of the California economy.

"Do you think things in California are generally going in the right direction or the wrong direction?"

	All Adults	Party Registration			Latinos
		Dem	Rep	Ind	
Right direction	50%	41%	58%	47%	53%
Wrong direction	40	47	33	47	38
Don't know	10	12	9	6	9

"Turning to economic conditions in California, do you think that during the next 12 months we will have good times financially or bad times?"

	All Adults	Party Registration			Latinos
		Dem	Rep	Ind	
Good times	56%	44%	68%	50%	58%
Bad times	35	48	23	43	31
Don't know	9	8	9	7	11

Attitudes Toward State Government

Even at a time when many are expressing optimism about the direction of the state and the economy, many Orange County residents are still expressing doubts about the performance of their state government. Only three in 10 say they trust the state government to do what is right just about always or most of the time, while six in 10 trust their lawmakers in Sacramento only some of the time.

Just prior to the October recall election, Californians' trust in their state government reached its lowest level since we first asked about this issue in January 1999: In September, only 27 percent said that they trusted the government in Sacramento to do what is right just about always or most of the time, compared to 47 percent in our statewide survey in January 2002.

We found low levels of trust in state government across both the North and South County regions and among most of the major demographic categories. Trust in state government tends to decline with age, education, income, and homeownership. Latinos (52%) are more likely than whites (21%), and immigrants (47%) are more likely than U.S.-born residents (24%), to say they trust the state government to do what is right just about always or most of the time.

Likely voters are even more inclined than all adults to express a lack of confidence in the state government. As for political differences, Democrats (31%), Republicans (23%), and liberals (38%) are more likely than conservatives (29%) to say they trust the government to do what is right just about always or most of the time. We found the highest level of trust among those who are not registered to vote: Nearly half (46%) say the state government does what is right just about always or most of the time.

"In general, how much of the time do you trust the state government in Sacramento to do what is right—just about always, most of the time, or only some of the time?"

	All Adults	Party Registration			Likely Voters
		Dem	Rep	Ind	
Just about always / most of the time	31%	31%	23%	28%	24%
Only some of the time	58	60	64	64	65
None of the time / not at all	7	7	10	5	9
Don't know	4	2	3	3	2

"In general, which of the following statements do you agree with more: I'd rather pay higher taxes to support a larger state government that provides more services, *or* I'd rather pay lower taxes and have a smaller state government that provides fewer services?"

	All Adults	Party Registration			Likely Voters
		Dem	Rep	Ind	
Higher taxes and more services	38%	51%	18%	33%	30%
Lower taxes and fewer services	54	41	75	60	63
Don't know	8	8	7	7	7

Given the backdrop of distrust in Sacramento, what type of state government do Orange County residents prefer? A majority of residents say they want a smaller state government with lower taxes and fewer services, while 38 percent want a larger government with higher taxes and more services. In contrast, Californians were closely divided on this question in our September statewide survey.

There is a partisan divide in Orange County on this question: Seventy-five percent of Republicans and 60 percent of independents prefer paying lower taxes and having fewer services, while 51 percent of Democrats would prefer paying higher taxes and having more services. Among likely voters, 63 percent would opt for lower taxes and fewer state services, while among those not registered to vote, 58 percent would prefer to pay higher taxes and have more services. There are also stark differences in preferences for the role of state government across groups that could be roughly divided into the "haves" and "have nots" of Orange County. Specifically, Latinos, immigrants, renters, and the youngest, less-educated, and lower-income residents say they prefer paying higher taxes to support a larger government with more services. By contrast, whites, the U.S.-born, homeowners, and the oldest, more-educated, and higher-income residents say they would rather pay lower taxes and have a smaller government. Residents with children at home are also more likely than others to prefer higher taxes and a larger government.

"In general, which of the following statements do you agree with more:
I'd rather pay higher taxes to support a larger state government that provides more services, *or*
I'd rather pay lower taxes and have a smaller state government that provides fewer services?"

		Larger Government	Smaller Government	Don't know
All Adults		38%	54%	8%
Race / Ethnicity	**White**	29	65	6
	Latino	61	29	10
Homeownership	**Own**	31	62	7
	Rent	50	41	9
Age	**18 to 34**	51	43	6
	35 to 54	31	59	10
	55 or older	32	62	6
Years at Residence	**Fewer than 5 years**	43	48	9
	5 or more years	33	60	7
Education	**High school only**	50	39	11
	Some college	32	60	8
	College graduate	33	62	5
Income	**Under $40,000**	51	39	10
	$40,000 to under $80,000	34	60	6
	$80,000 or more	29	65	6
Nativity	**U.S.-Born**	30	62	8
	Immigrant	55	36	9
Children at home	**Yes**	43	48	9
	No	34	59	7

Approval Ratings and Priorities for Governor Schwarzenegger

While they don't trust state government, Orange County residents like what Arnold Schwarzenegger has been saying about his plans and policies for the state's future since he won the governorship in the recall election. By more than a two to one margin, residents approve of his plans and policies (55% to 25%). By comparison, in our PPIC Statewide Survey in November, 47 percent of state residents said they approve of his plans and policies for the future, 25 percent disapproved, and 28 percent were not sure.

In Orange County, Republicans overwhelmingly approve of Schwarzenegger's plans and policies, while half of independents and four in 10 Democrats offer favorable reviews. In our November statewide survey, a majority of Republicans (69%) and independents (53%) said they approve of Schwarzenegger's plans and policies for the future, while Democrats were equally likely to express disapproval (33%) as approval (32%). In that survey, Latinos (50%) were more likely than whites (16%) to disapprove of the governor's plans and policies.

In terms of priorities for the Schwarzenegger administration, there is overwhelming consensus in Orange County that the economy and state budget are important issues. Indeed, two in three residents rank the economy as a top priority, while seven in 10 rate the state budget as a top priority. On the issue of the economy, there is a remarkable similarity of opinion across political and demographic groups, racial/ethnic categories, and regions. As for the budget and taxes, whites (77%) and residents age 35 and older (75%) are more likely than Latinos (56%) and residents under age 35 (61%) to rank this issue as a top priority.

		All Adults	Party Registration			Likely Voters
			Dem	Rep	Ind	
Overall, from what you know so far, do you approve or disapprove of Governor Schwarzenegger's plans and policies for California's future?	**Approve**	55%	40%	80%	50%	61%
	Disapprove	25	35	5	25	19
	Don't know	20	25	15	25	20
In terms of priorities for Governor Schwarzenegger, should improving the job situation and the economy in California be a …	**Top priority**	66%	67%	68%	62%	66%
	Important but lower priority	28	28	28	34	29
	Not too important	2	2	1	4	2
	Should not be done	1	1	1	0	1
	Don't know	3	2	2	0	2
In terms of priorities for Governor Schwarzenegger, should dealing with the state budget and taxes in California be a …	**Top priority**	70%	72%	82%	71%	78%
	Important but lower priority	23	23	14	26	17
	Not too important	2	1	1	1	1
	Should not be done	2	2	1	1	1
	Don't know	3	2	2	1	3

State Budget Solutions

Asked how they would prefer to solve the state government's projected $8 billion budget deficit, Orange County residents are almost evenly divided between using a combination of spending cuts and tax increases (39%) and using spending cuts alone to solve the problem (36%). Fewer than one in 10 residents say they would prefer to deal with the deficit by borrowing money and running a deficit (8%) or by raising taxes alone (7%). By comparison, our September statewide survey showed that Californians as a whole favor a mix of spending cuts and tax increases over spending cuts alone by an 11-point margin (42% to 31%).

Likely voters in Orange County are evenly split between spending cuts alone and a mix of tax increases and spending cuts as their preferred method for resolving the state's budget deficit. However, there are strong partisan differences: More than half of Republicans (53%) would prefer that the budget deficit be reduced primarily through spending cuts, while nearly half of Democrats (48%) and independents (49%) would prefer a mix of spending cuts and tax increases. The preference for solving the budget deficit primarily through spending cuts increases with age, education, income, and homeownership. Whites (41%) and Latinos (28%) differ significantly in their preference for relying primarily on spending cuts.

"The state government faces an $8 billion budget deficit in the upcoming fiscal year. How would you prefer to deal with the state budget deficit?"

	All Adults	Party Registration			Likely Voters
		Dem	Rep	Ind	
Mixture of spending cuts and tax increases	39%	48%	36%	49%	42%
Mostly through spending cuts	36	23	53	32	42
Okay for the state to borrow money and run a budget deficit	8	7	4	8	5
Mostly through tax increases	7	12	3	4	6
Other answer	3	4	2	4	3
Don't know	7	6	2	3	2

Since three in four Orange County residents prefer spending cuts as part of the solution for resolving the budget deficit, and four in 10 think that spending cuts alone can erase the $8 billion shortfall, do they believe that these state budget reductions would have a noticeable effect on services? Three in four local residents (75%) and likely voters (78%) think that the state could spend less and still provide the same level of services. By comparison, a similar seven in 10 Californians (70%) and likely voters (71%) held this opinion in our September statewide survey. In Orange County, the belief that the state could spend less with no impact on services increases with education and income and is more common among Republicans (85%) than Democrats (64%), conservatives (82%) than liberals (64%), and whites (79%) than Latinos (64%).

The perception that reductions in spending would have no effect on services is less evident in the case of local government. Still, six in 10 Orange County residents (63%) and likely voters (60%) believe that their *local* governments could spend less and still provide the same level of services. Similar results were evident in the September statewide survey. Once again, perceptions among county residents vary by political party, but whites and Latinos hold similar views on the effects of spending cuts on local services.

		All Adults	Party Registration			Likely Voters
			Dem	Rep	Ind	
Do you think the state government could spend less and still provide the same level of services?	**Yes, could spend less**	75%	64%	85%	80%	78%
	No, could not spend less	21	33	11	19	20
	Don't know	4	3	4	1	2
Do you think local government in your area could spend less and still provide the same level of services?	**Yes, could spend less**	63%	54%	66%	65%	60%
	No, could not spend less	31	43	26	30	34
	Don't know	6	3	8	5	6

Among the 75 percent of Orange County residents who think that the state government could cut spending without reducing services, six in 10 believe that the state could maintain current service levels as long as it cut less than 20 percent of its expenditures. As for the 63 percent who think that the *local* government could spend less, seven in 10 think that the same level of services could be maintained if the cuts were less than 20 percent. Similar results were evident in our recent statewide survey. Democrats are less inclined than others to believe that state spending cuts are possible without reducing services. However, political groups hold similar views on the effects of spending cuts at the local level.

"How much could the state government cut its spending without reducing services?"
(asked of those who say the state government could spend less)

	All Adults	Party Registration			Likely Voters
		Dem	Rep	Ind	
Under 10 percent	21%	27%	16%	15%	18%
10 percent to under 20 percent	40	40	42	39	42
20 percent to under 30 percent	18	18	21	20	20
30 percent or more	11	9	13	12	11
Don't know	10	6	8	14	9

"How much could local government cut its spending without reducing services?"
(asked of those who say the local government could spend less)

	All Adults	Party Registration			Likely Voters
		Dem	Rep	Ind	
Under 10 percent	32%	33%	27%	31%	30%
10 percent to under 20 percent	38	38	42	40	42
20 percent to under 30 percent	15	20	16	11	15
30 percent or more	7	6	8	5	6
Don't know	8	3	7	13	7

National Issues

U.S. Conditions Today

Orange County residents are feeling pretty optimistic about the direction in which the nation is headed today: Fifty-six percent say the United States is going in the right direction, while 38 percent think it is headed the wrong way. By comparison, as reported in the preceding section, local residents are not quite as optimistic about the state's direction at this time: Fifty percent say that California is on the right track, while 40 percent say it's headed in the wrong direction.

The perception that the nation is headed in the right direction is shared across the North County (55%) and South County (58%), Latinos (56%) and whites (59%), and the U.S.-born (57%) and immigrants (54%). There are no differences in this perception across education, homeownership, or length of residence categories. The public's optimism about the nation increases with income and declines with age. The strongest variations in attitudes, however, are related to partisanship and political ideology: Most Democrats (63%) and liberals (55%) believe the United States is headed in the wrong direction, while most Republicans (75%) and conservatives (70%) think it's on the right track.

Orange County residents express high hopes for the national economy over the next year. Nearly two in three (63%) expect good economic times, while only 27 percent expect unfavorable times. Compared to this upbeat assessment of the nation as a whole, county residents' views on the state economy are somewhat more mixed: As noted in the previous section, 56 percent expect good times while 35 percent anticipate bad times for the state economy over the next 12 months.

There is little variation in perceptions of good economic times lying ahead for the nation between North County (62%) and South County (66%) residents, Latinos (63%) and whites (65%), the U.S.-born (63%) and immigrants (63%), or across age brackets and education groups. While all groups share the perception that good economic times lie ahead for the United States, men (70%) are more likely than women (57%) to anticipate a good economy, and optimism increases with income. Republicans (79%) and conservatives (77%) are more optimistic than Democrats (49%) and liberals (52%).

"Do you think things in the United States are generally going in the right direction or the wrong direction?"

	All Adults	Party Registration			Latinos
		Dem	Rep	Ind	
Right direction	56%	34%	75%	49%	56%
Wrong direction	38	63	19	48	38
Don't know	6	3	6	3	6

"Turning to business conditions in the country as a whole, do you think that during the next 12 months we will have good times financially or bad times?"

	All Adults	Party Registration			Latinos
		Dem	Rep	Ind	
Good times	63%	49%	79%	56%	63%
Bad times	27	40	15	35	24
Don't know	10	11	6	9	13

Approval Ratings: President Bush

Orange County's approval ratings of President Bush have declined since last year, but they stand at higher levels than recorded in recent statewide and national surveys. In our current survey, 59 percent of county residents approve of Bush's general performance, which is similar to the proportion that says the nation is headed in the right direction. One year ago, 68 percent of Orange County residents approved of the president's overall performance in office, while 57 percent offered this rating in our September 2001 survey, which was conducted just before the September 11th terrorist attacks.

Comparing the Orange County survey with state and national surveys conducted around the time of this survey, we find that the county's residents are more generous in their overall approval of Bush than are residents across the state (PPIC Statewide Survey, 48%) and the nation (*Newsweek* poll, 52%).

A majority of county residents say they approve of Bush's overall job performance in both the North and South regions and across age, education, gender, and income categories. Latinos (57%) and whites (61%) and the U.S.-born (60%) and immigrants (56%) express similar levels of approval for the president.

However, the perception of the president's performance varies sharply across party lines and political ideologies: A majority of Democrats (68%) and liberals (62%) disapprove of Bush, while Republicans (84%) and conservatives (78%) are highly supportive of the president's overall performance. Indeed, the decline in support for the president since last year is a result of increasing disapproval among Democrats (48% to 68%) and independents (35% to 50%), since eight in 10 Republicans have consistently said that they approve of the overall performance of Bush in the Oval Office.

Overall, do you approve or disapprove of the way that President George W. Bush is handling …		**All Adults**	**Party Registration**			**Latinos**
			Dem	**Rep**	**Ind**	
His job as president of the United States	**Approve**	59%	28%	84%	48%	57%
	Disapprove	37	68	13	50	37
	Don't know	4	4	3	2	6
Economic issues	**Approve**	55%	26%	79%	47%	55%
	Disapprove	37	69	15	47	38
	Don't know	8	5	6	6	7
Terrorism and homeland security issues	**Approve**	60%	36%	82%	50%	62%
	Disapprove	37	61	14	49	34
	Don't know	3	3	4	1	4

The president's more specific ratings on two other dimensions are similar to his overall ratings: Fifty-five percent of Orange County residents approve of the way he is handling the national economy, and 60 percent approve of the way that he is handling terrorism and homeland security issues. The president's ratings on economic issues in Orange County today are similar to those from a year ago. Californians as a whole gave the president similar ratings on homeland security (62% in August 2003); however, they were less generous than Orange County residents in their assessment of the president's handling of economic issues (42% in September 2003). Among these specific approval ratings, there are, once again, sharp differences across political parties and ideological groups.

2004 National Election

In order to win in the predominantly Democratic state of California, Republican candidates in presidential races have traditionally had to win elections by landslides in GOP strongholds such as Orange County. If the 2004 election were held today, 46 percent of Orange County residents say they would vote to re-elect George W. Bush as president, while 34 percent would vote for the Democratic nominee.

In our PPIC Statewide Survey in September, the results were nearly the reverse: Forty-six percent of California adults preferred the Democratic nominee and 37 percent would vote for Bush. National surveys indicate that Americans are evenly divided between Bush and the Democratic nominee, according to the CNN/*USA Today*/Gallup Poll and the ABC News/*Washington Post* Poll.

Support for President Bush's re-election increases to an 18-point gap among those most likely to vote in Orange County: Fifty-one percent would vote for President Bush and 33 percent for the Democratic nominee. As would be expected, there are large partisan differences in voting preferences: 81 percent of Republicans, 29 percent of independents, and 18 percent of Democrats would vote for Bush.

Public support for Bush over the Democratic nominee increases with age, education, income, and homeownership and is higher for whites (53%) than Latinos (37%). It is also higher among men (48% to 32%) than among women (45% to 36%).

In their local congressional races, Orange County residents favor Republicans over Democrats by an 8-point margin (43% to 35%), while the partisan gap grows to 16 points for likely voters (48% to 32%). Most Democrats say they will vote for Democratic candidates, most Republicans for GOP candidates. However, at this point, one in three independent voters would not give the nod to either of the major parties in their local races. Latinos favor Democrats over the GOP (47% to 30%), while whites favor the GOP over Democrats (50% to 28%). The edge for Republicans is more narrow in the North County (42% to 37%) than in the South County (45% to 30%).

		All Adults	Party Registration			Likely Voters
			Dem	Rep	Ind	
If the 2004 presidential election were being held today, would you vote for …	**George W. Bush, the Republican**	46%	18%	81%	29%	51%
	Democratic nominee	34	69	5	44	33
	Other answer	6	5	4	9	6
	Don't know	14	8	10	18	10
If the election for the U.S. House of Representatives were being held today, would you vote for a _____for the House in your district?	**Republican**	43%	12%	81%	29%	48%
	Democrat	35	72	4	36	32
	Other answer	6	4	5	12	7
	Don't know	16	12	10	23	13

Political Parties and National Issues

Which party do Orange County residents trust the most on health care, jobs and the economy, and national security and terrorism—three issues expected to be critical in the 2004 presidential election? Local residents indicate that they believe the major political parties have relative strengths and weaknesses. County residents say they trust the Democrats more than the Republicans to do a better job handling health care issues (49% to 35%), and they trust the Republicans over the Democrats on national security and terrorism issues (55% to 28%). When it comes to jobs and the economy, by a six-point gap, they trust Republicans (46%) to do a better job than Democrats (40%) in handling this issue.

In the state as a whole, Californians favor the Democrats over the Republicans by wide margins on health care (53% to 28%) and the economy (47% to 37%), and Republicans over Democrats on national security and terrorism issues (47% to 33%), according to our statewide survey in September.

Democratic voters show the most support for their party on health care (81%), followed by jobs and the economy (70%), and terrorism and national security (55%). By way of contrast, Republicans are most confident in their party's handling of terrorism and security (88%) and jobs and the economy (82%) and least of all in their handling of health care (68%). Independents trust Democrats the most on health care (57%) and the economy (45%), and Republicans the most on national security and terrorism (46%).

Which political party—the Democrats or the Republicans—do you trust to do a better job in handling the issue of …		**All Adults**	**Party Registration**			**Likely Voters**
			Dem	**Rep**	**Ind**	
Health care	**Democrats**	49%	81%	20%	57%	48%
	Republicans	35	9	68	22	40
	Both *(volunteered)*	1	0	1	1	0
	Neither *(volunteered)*	5	5	6	6	5
	Don't know	10	5	5	14	7
Jobs and the economy	**Democrats**	40%	70%	11%	45%	37%
	Republicans	46	20	82	38	54
	Both *(volunteered)*	1	0	1	1	0
	Neither *(volunteered)*	3	5	2	6	3
	Don't know	10	5	4	10	6
National security and terrorism	**Democrats**	28%	55%	3%	30%	26%
	Republicans	55	28	88	46	60
	Both *(volunteered)*	2	2	1	3	2
	Neither *(volunteered)*	5	7	3	6	6
	Don't know	10	8	5	15	6

Of special significance for the upcoming election, among the Orange County residents who are most likely to vote, the Democrats are favored over the GOP by a narrower 8-point margin on health care (48% to 40%), while the GOP is favored over the Democrats by a wider 17-point margin on the economy (54% to 37%) and by a hefty 34-point margin on the issue of national security and terrorism (60% to 26%).

Survey Methodology

The Orange County Survey is a special edition of the PPIC Statewide Survey, which is directed by Mark Baldassare, research director at the Public Policy Institute of California, with assistance in research and writing from Jon Cohen, survey research manager, and Renatta DeFever and Eliana Kaimowitz, survey research associates, and Cheryl Katz, who was the co-director of the Orange County Annual Survey at the University of California, Irvine. The survey was conducted in collaboration with the School of Social Ecology at the University of California, Irvine; however, the survey methods, questions, and the content of this report were solely determined by Mark Baldassare.

The findings of this survey are based on a telephone survey of 1,004 Orange County adult residents interviewed from November 4 to November 10, 2003. Interviewing took place on weekend days and weekday nights, using a computer-generated random sample of telephone numbers, ensuring that both listed and unlisted telephone numbers were called. All telephone exchanges in Orange County were eligible for calling. Telephone numbers in the survey sample were called up to five times to increase the likelihood of reaching eligible households. Once a household was reached, an adult respondent (age 18 or older) was randomly chosen for interviewing by using the "last birthday method" to avoid biases in age and gender. Each interview took an average of 18 minutes to complete. Interviewing was conducted in English or Spanish. Schulman, Ronca & Bucuvalas, Inc. conducted the telephone interviewing.

We used recent U.S. Census and state figures to compare the demographic characteristics of the survey sample with characteristics of Orange County's adult population. The survey sample was closely comparable to the census and state figures. The survey data in this report were statistically weighted to account for any demographic differences. The sampling error for the total sample of 1,004 adults is +/- 3 percent at the 95 percent confidence level. This means that 95 times out of 100, the results will be within 3 percentage points of what they would be if all Orange County adults were interviewed. The sampling error for subgroups is larger. Sampling error is just one type of error to which surveys are subject. Results may also be affected by factors such as question wording, question order, and survey timing.

Throughout the report, we refer to two geographic regions. North County includes 71 percent of the county population and refers to cities and communities north of the 55 Freeway, including Anaheim, Anaheim Hills, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, La Habra, La Palma, Los Alamitos, Midway City, Orange, Placentia, Rossmoor, Santa Ana, Seal Beach, Stanton, Sunset Beach, Tustin, Villa Park, Westminster, and Yorba Linda. South County includes 29 percent of the county population and refers to cities and communities south of the 55 Freeway, including Aliso Viejo, Capistrano Beach, Corona del Mar, Coto de Caza, Dana Point, El Toro, Irvine, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Lake Forest, Mission Viejo, Modjeska, Newport Beach, Portola Hills, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Trabuco, and Trabuco Canyon. We present results for non-Hispanic whites (referred to in the tables and text as "whites") and Latinos because each group accounts for a substantial number of the county's adult population. The sample sizes for the African American and Asian American subgroups are not large enough for separate statistical analysis. We also contrast the opinions of registered Democrats and Republicans with those who are "independent" or decline to state.

In some cases, we compare the Orange County Survey responses to responses in the 1982-2000 Orange County Annual Surveys at the University of California, Irvine; the PPIC Statewide Surveys, including the Special Survey of Orange County in 2001 and 2002; the 1979 California Tax Revolt Study at the University of California, Berkeley; and national surveys conducted by *Newsweek* (November 2003), CNN/*USA Today*/Gallup, ABC News/*Washington Post*, and the Index of Consumer Sentiment, Surveys of Consumer Attitudes, Survey Research Center, University of Michigan (October 2003).

PPIC STATEWIDE SURVEY: SPECIAL SURVEY ON ORANGE COUNTY
NOVEMBER 4—NOVEMBER 10, 2003
1,004 ORANGE COUNTY ADULT RESIDENTS; ENGLISH AND SPANISH
MARGIN OF ERROR +/- 3% AT 95% CONFIDENCE LEVEL FOR TOTAL SAMPLE

---

1. Is the place you currently live a single-family detached home; an attached home such as a condo, duplex, or town home; an apartment; or another type of dwelling?

   53% single-family detached home
   27 apartment
   17 attached home
   3 other

2. Overall, how satisfied are you with the house or apartment you live in? Are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?

   62% very satisfied
   27 somewhat satisfied
   7 somewhat dissatisfied
   3 very dissatisfied
   1 don't know

3. Overall, how satisfied are you with the neighborhood you live in? Are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?

   62% very satisfied
   28 somewhat satisfied
   6 somewhat dissatisfied
   2 very dissatisfied
   2 don't know

I'd like to ask how you would rate some of the public services in your local area. *[rotate questions 4 to 7]*

4. How about local freeways, streets, and roads? Would you say they are excellent, good, fair, or poor?

   17% excellent
   50 good
   22 fair
   10 poor
   1 don't know

5. How about local parks, beaches, and other public recreational facilities?

   33% excellent
   48 good
   12 fair
   3 poor
   4 don't know

6. How about local police protection?

   35% excellent
   44 good
   11 fair
   3 poor
   7 don't know

7. How about local public schools?

   21% excellent
   37 good
   12 fair
   5 poor
   25 don't know

8. Overall, how would you rate the performance of city government in solving problems in your city—excellent, good, fair, or poor?

   10% excellent
   43 good
   30 fair
   8 poor
   9 don't know

Next, we are interested in your opinions about the region or broader geographic area that you live in. I am going to read you a list of problems other people have told us about. For each one, please tell me if you think this is a big problem, somewhat of a problem, or not a problem in your part of Orange County. *[rotate questions 9 to 12]*.

9. How about traffic congestion on freeways and major roads?

   56% big problem
   34 somewhat of a problem
   8 not a problem
   2 don't know

10. How about population growth and development?

    33% big problem
    38 somewhat of a problem
    27 not a problem
    2 don't know

11. How about the availability of housing that you can afford?

    51% big problem
    30 somewhat of a problem
    16 not a problem
    3 don't know

12. How about the lack of opportunities for well-paying jobs?

23%	big problem
39	somewhat of a problem
28	not a problem
10	don't know

13. Next, we are interested in your opinions about Orange County as a whole. First, what do you think is the most important issue facing Orange County today? *[code response; do not read list]*

15%	population growth, development, sprawl
13	traffic and transportation
13	housing costs, availability, affordability
13	jobs, the economy, unemployment
5	schools, education
5	immigration, legal and illegal
5	crime, gangs
3	state budget, deficit
2	environment and pollution
1	government regulations
1	poverty, the poor
1	drugs
1	El Toro, Great Park
5	other *(specify)*
17	don't know

14. In general, how would you rate the economy in Orange County today? Would you say it is excellent, good, fair, or poor?

8%	excellent
49	good
33	fair
8	poor
2	don't know

15. Would you say that Orange County is in an economic recession or not? *(if yes*: Do you think it is in a serious, a moderate, or a mild recession?)

7%	yes, serious recession
19	yes, moderate recession
10	yes, mild recession
55	no
9	don't know

16. Do you think that buying a home in Orange County today is an excellent, good, fair, or poor investment?

35%	excellent
45	good
12	fair
6	poor
2	don't know

17. Thinking about the quality of life in Orange County, how do you think things are going—very well, somewhat well, somewhat badly, or very badly?

32%	very well
58	somewhat well
7	somewhat badly
2	very badly
1	don't know

18. In the future, do you think that Orange County will be a better place to live than it is now, a worse place to live than it is now, or there will be no change?

33%	better place
28	worse place
33	no change
6	don't know

19. How would you rate the performance of county government in solving problems in Orange County—excellent, good, fair, or poor?

4%	excellent
36	good
41	fair
11	poor
8	don't know

20. What type of transportation project do you think should have the top priority for public funds in Orange County? *[rotate list]*

33%	freeways and highways
21	light rail system
18	public bus system
14	local streets and roads
9	carpool lanes
2	other *(specify)*
3	don't know

[rotate questions 21 and 22]

21. Do you think that the toll roads—including the Foothill, San Joaquin Hills, and Eastern Corridor—have been a good thing or a bad thing for the Orange County transportation system, or have they made no difference?

52%	good thing
15	bad thing
22	no difference
11	don't know

22. Do you think that a light rail transit line linking the large cities and major employment centers would be a good idea or a bad idea for the Orange County transportation system, or would it make no difference?

70%	good idea
10	bad idea
15	no difference
5	don't know

23. Current state law requires that a local sales tax for transportation projects must be approved by two-thirds of the voters in a local election. What if there was a state ballot measure that would change the two-thirds majority to a 55 percent vote for passing a local sales tax for transportation projects? Would you vote yes or no?

44%	yes
49	no
7	don't know

24. Measure M, the one-half cent sales tax approved by Orange County voters, is funding freeway projects, public transit, and local street improvements. In general, how satisfied are you with the way the Measure M funds are being used for transportation projects in Orange County—very satisfied, somewhat satisfied, or not satisfied?

10%	very satisfied
58	somewhat satisfied
20	not satisfied
12	don't know

25. The Measure M sales tax is currently set to expire in 2011. If an election were held today, would you vote yes or no on an Orange County ballot measure to extend the half-cent sales tax another 20 years to fund transportation projects in Orange County?

65%	yes
26	no
9	don't know

26. On another topic, would you say you (and your family) are financially better off or worse off than you were a year ago?

53%	better off
26	worse off
21	same *(volunteered)*

27. Looking ahead, do you think that a year from now you (and your family) will be better off, worse off, or just about the same as now?

45%	better off
45	same
6	worse off
4	don't know

28. Turning to business conditions in the country as a whole, do you think that during the next 12 months we will have good times financially or bad times?

63%	good times
27	bad times
10	don't know

29. Looking ahead, in the country as a whole, will we have continued good times during the next five years, or will we have periods of widespread unemployment or depression?

47%	good times
42	periods of unemployment or depression
11	don't know

30. How about the big things that people buy for their homes, such as furniture, a refrigerator, a stove, a television, and things like that—generally speaking, do you think now is a good or a bad time for people to buy major household items?

62%	good time
27	bad time
11	don't know

31. On another topic, do you think things in California are generally going in the right direction or the wrong direction?

50%	right direction
40	wrong direction
10	don't know

32. Turning to economic conditions in California, do you think that during the next 12 months we will have good times financially or bad times?

56%	good times
35	bad times
9	don't know

33. Overall, from what you know so far, do you approve or disapprove of Governor-elect Arnold Schwarzenegger's plans and policies for California's future?

55%	approve
25	disapprove
20	don't know

[rotate questions 34 and 35]

34. In your opinion, in terms of priorities for Governor-elect Schwarzenegger, should improving the job situation and the economy in California be a top priority, important but lower priority, not too important, or should it not be done?

66%	top priority
28	important but lower priority
2	not too important
1	should not be done
3	don't know

35. In your opinion, in terms of priorities for Governor-elect Schwarzenegger, should dealing with the state budget and taxes be a top priority, important but lower priority, not too important, or should it not be done?

70%	top priority
23	important but lower priority
2	not too important
2	should not be done
3	don't know

36. In general, how much of the time do you trust the state government in Sacramento to do what is right—just about always, most of the time, or only some of the time?

7%	just about always
24	most of the time
58	only some of the time
7	none of the time, not at all *(volunteered)*
4	don't know

37. In general, which of the following statements do you agree with more—I'd rather pay higher taxes to support a larger state government that provides more services, *or* I'd rather pay lower taxes and have a smaller state government that provides fewer services?

38%	higher taxes and more services
54	lower taxes and fewer services
8	don't know

38. On another topic, the state government faces an 8 billion dollar budget deficit in the upcoming fiscal year. How would you prefer to deal with the state budget deficit—mostly through spending cuts, mostly through tax increases, through a mix of spending cuts and tax increases, *or* do you think that it is okay for the state to borrow money and run a budget deficit?

39%	mixture of spending cuts and tax increases
36	mostly through spending cuts
8	okay for the state to borrow money and run a budget deficit
7	mostly through tax increases
3	other answer *(specify)*
7	don't know

I'd like your opinions on how efficiently state and local governments use your tax money. *[rotate block 1 and block 2]*

[block 1: questions 39 and 39a]

39. In general, do you think local government in your area could spend less and still provide the same level of services?

63%	yes, could spend less *[ask q. 39a]*
31	no, could not spend less *[skip to q. 40]*
6	don't know *[skip to q. 40]*

39a. How much could local government cut its spending without reducing services? *[read list]*

32%	under 10 percent
38	10 percent to under 20 percent
15	20 percent to under 30 percent
7	30 percent or more
8	don't know

[block 2: questions 40 and 40a]

40. In general, do you think the state government could spend less and still provide the same level of services?

75%	yes, could spend less *[ask q. 40a]*
21	no, could not spend less *[skip to q. 41]*
4	don't know *[skip to q. 41]*

40a. How much could the state government cut its spending without reducing services? *[read list]*

21%	under 10 percent
40	10 percent to under 20 percent
18	20 percent to under 30 percent
11	30 percent or more
10	don't know

41. On another topic, do you think things in the United States are generally going in the right direction or the wrong direction?

56%	right direction
38	wrong direction
6	don't know

42. Overall, do you approve or disapprove of the way that George W. Bush is handling his job as president of the United States?

59%	approve
37	disapprove
4	don't know

43. Overall, do you approve or disapprove of the way that President Bush is handling economic issues?

55%	approve
37	disapprove
8	don't know

44. Do you approve or disapprove of the way that President Bush is handling terrorism and homeland security issues?

60%	approve
37	disapprove
3	don't know

45. If the 2004 presidential election were being held today, would you vote for *[rotate]* George W. Bush, the Republican, *or* for the Democratic nominee?

46% George W. Bush, the Republican
34 Democratic nominee
6 other answer *(specify)*
14 don't know

46. If the election for the U.S. House of Representatives were being held today, would you vote for the Republican Party's candidate or the Democratic Party's candidate for the House in your district?

43% Republican
35 Democrat
6 other answer *(specify)*
16 don't know

47. Overall, at this time, how do you rate the job performance of the representative to the U.S. House of Representatives from your congressional district—excellent, good, fair, or poor?

8% excellent
40 good
30 fair
8 poor
14 don't know

Which political party—the Democrats or the Republicans—do you trust to do a better job in handling the following national issues? *[rotate questions 48 to 50]*

48. (Which political party—the Democrats or the Republicans—do you trust to do a better job in handling the issue of) health care?

49% Democrats
35 Republicans
1 both *(volunteered)*
5 neither *(volunteered)*
10 don't know

49. (Which political party—the Democrats or the Republicans—do you trust to do a better job in handling the issue of) jobs and the economy?

40% Democrats
46 Republicans
1 both *(volunteered)*
3 neither *(volunteered)*
10 don't know

50. (Which political party—the Democrats or the Republicans—do you trust to do a better job in handling the issue of) national security and terrorism?

28% Democrats
55 Republicans
2 both *(volunteered)*
5 neither *(volunteered)*
10 don't know

51. On another topic, generally speaking, how much interest would you say you have in politics—a great deal, a fair amount, only a little, or none?

26% great deal
45 fair amount
23 only a little
5 none
1 don't know

52. Some people are registered to vote and others are not. Are you absolutely certain that you are registered to vote?

75% yes *[ask q. 53]*
25 no *[skip to q. 54a]*

53. Are you registered as a Democrat, a Republican, another party, or as an independent?

32% Democrat *[skip to q. 54b]*
45 Republican *[skip to q. 54c]*
3 another party *(specify)*
18 independent *[ask q. 54a]*
2 don't know

54a. Do you think of yourself as closer to the Republican Party or Democratic Party?

30% Republican party
40 Democratic party
19 neither *(volunteered)*
11 don't know

54b. Would you call yourself a strong Democrat or not a very strong Democrat?

44% strong
55 not very strong
1 don't know

54c. Would you call yourself a strong Republican or not a very strong Republican?

61% strong
37 not very strong
2 don't know

55. How often would you say you vote—always, nearly always, part of the time, seldom, or never?

49% always
20 nearly always
8 part of the time
4 seldom
18 never
1 don't know

56. On another topic, would you consider yourself to be politically very liberal, somewhat liberal, middle-of-the-road, somewhat conservative, or very conservative?

7%	very liberal
20	somewhat liberal
30	middle-of-the-road
30	somewhat conservative
10	very conservative
3	don't know

[D1-D11: demographic questions]

D5b. *(if employed)* How do you usually commute to work— drive alone, carpool, public bus or transit, or some other means?

77%	drive alone
9	carpool
5	public bus or transit
6	some other means *(specify)*
3	work at home *(volunteered)[skip to q. D6]*

D5c. *(if employed)* Overall, how satisfied are you with your commute to work? Are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?

47%	very satisfied
32	somewhat satisfied
12	somewhat dissatisfied
9	very dissatisfied

PPIC STATEWIDE SURVEY

Advisory Committee

Angela Blackwell
President
Policy Link

Paul Brest
President
The William and Flora Hewlett Foundation

Mollyann Brodie
Vice President
Kaiser Family Foundation

Bruce E. Cain
Director
Institute of Governmental Studies
University of California, Berkeley

James E. Canales
President
The James Irvine Foundation

Matt Fong
Chairman
Pension Benefit Guaranty Corporation
Advisory Committee

William Hauck
President
California Business Roundtable

Sherry Bebitch Jeffe
Senior Scholar
School of Policy, Planning, and Development
University of Southern California

Monica Lozano
President and Chief Operating Officer
La Opinión

Donna Lucas
Executive Vice President
Porter Novelli

Max Neiman
Professor
Political Science Department
University of California, Riverside

Dan Rosenheim
News Director
KPIX-TV

Richard Schlosberg
President and CEO
The David and Lucile
Packard Foundation

Carol Stogsdill
President
Stogsdill Consulting

Cathy Taylor
Vice President and Editorial
Commentary Director
Orange County Register

Raymond L. Watson
Vice Chairman of the Board
The Irvine Company

Carol Whiteside
President
Great Valley Center

PUBLIC POLICY INSTITUTE OF CALIFORNIA

Board of Directors

Raymond L. Watson, *Chairman*
Vice Chairman of the Board
The Irvine Company

Edward K. Hamilton
Chairman
Hamilton, Rabinovitz & Alschuler, Inc.

Walter B. Hewlett
Director
Center for Computer Assisted Research
in the Humanities

David W. Lyon
President and CEO
Public Policy Institute of California

Cheryl White Mason
Chief, Civil Liability Management
Los Angeles City Attorney's Office

Arjay Miller
Dean Emeritus
Graduate School of Business
Stanford University

Ki Suh Park
Design and Managing Partner
Gruen Associates

Constance L. Rice
Co-Director
The Advancement Project

Thomas C. Sutton
Chairman & CEO
Pacific Life Insurance Company

Cynthia A. Telles
Department of Psychiatry
UCLA School of Medicine

Carol Whiteside
President
Great Valley Center

Advisory Council

Mary C. Daly
Research Advisor
Federal Reserve Bank of San Francisco

Clifford W. Graves
General Manager
Department of Community Development
City of Los Angeles

Elizabeth G. Hill
Legislative Analyst
State of California

Hilary W. Hoynes
Associate Professor
Department of Economics
University of California, Davis

Andrés E. Jiménez
Director
California Policy Research Center
University of California
Office of the President

Norman R. King
Executive Director
San Bernadino Associated Governments

Daniel A. Mazmanian
C. Erwin and Ione Piper Dean and Professor
School of Policy, Planning, and Development
University of Southern California

Dean Misczynski
Director
California Research Bureau

Rudolf Nothenberg
Chief Administrative Officer (Retired)
City and County of San Francisco

Manuel Pastor
Professor, Latin American & Latino Studies
University of California, Santa Cruz

Peter Schrag
Contributing Editor
The Sacramento Bee

James P. Smith
Senior Economist
RAND

PUBLIC POLICY INSTITUTE OF CALIFORNIA
500 Washington Street, Suite 800 • San Francisco, California 94111
Phone: (415) 291-4400 • Fax: (415) 291-4401
www.ppic.org • info@ppic.org