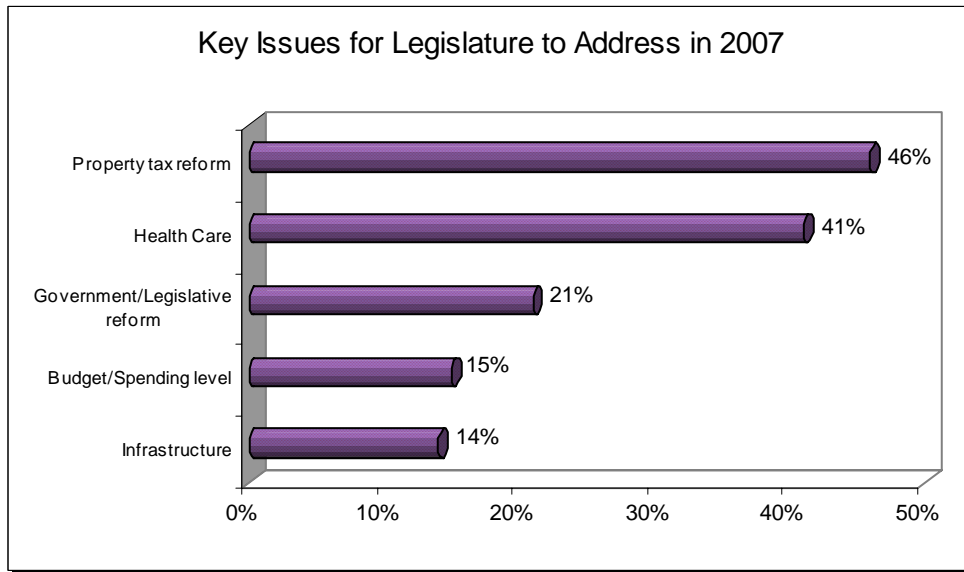


IssuesPA/Pew Legislators Survey: Major Findings

February 12, 2007

1. Fixing property taxes and health care are the top issues on the “to do” list of Pennsylvania legislators this year.



The IssuesPA/Pew poll gave state legislators the opportunity to name any issues or problems as the top priority for action by the legislature this year. Two items dominate their agenda: close to half (46%) of legislators call for doing something to address property taxes; and four in ten (41%) cite health care as a top priority. These two top priorities rate well above the next three, which are government or legislative reform (21%), dealing with the budget/state spending levels (15%), and infrastructure improvement (14%).

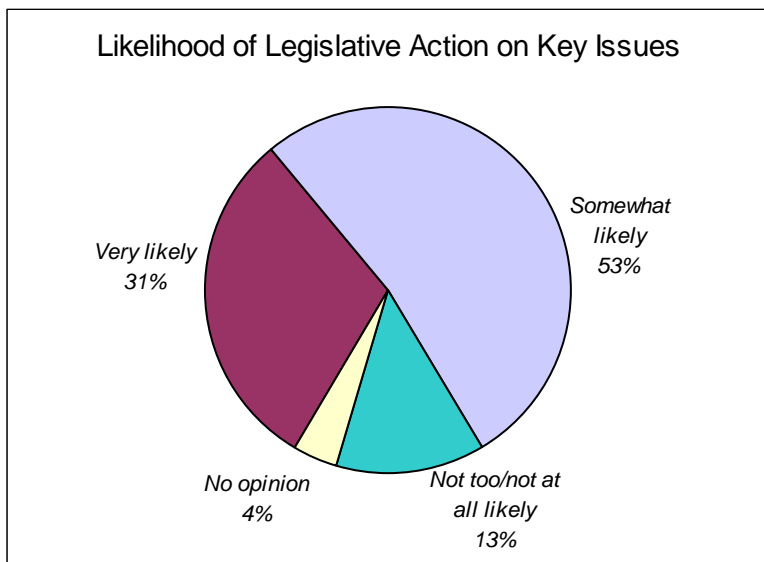
The priorities of legislators vary by chamber, party, and region.

- State senators tend to put health care before property tax reform (59% vs. 25%), while state representatives tend to do the opposite (37% health care vs. 50% property taxes).
- Democratic legislators are more likely than their Republican colleagues to say health care is the number one priority (51% vs. 32%).
- Legislators from Southwestern PA are more focused on property tax reform than those from Southeastern PA and the rest of state (69% vs. 31% and 45%, respectively).

When asked what issue they would most like to see Governor Rendell focus on this year, legislators put the same two concerns at the top of their list – property tax reform (24%) and health care (23%).

Where the Public Stands: Pennsylvanians are not quite as focused on a few issues as their elected representatives. The public's broader agenda for the legislature this year include the two issues lawmakers care most about, along with several other perennial concerns. When the IssuesPA poll asked the statewide public to name the key issue they would most like to see the legislature address this year, health care tops the list (24%), followed by jobs (18%), education (15%), taxes generally (13%), property taxes specifically (11%), and crime (10%).

2. Most lawmakers are optimistic that the legislature will act to address their own personal issue priorities in 2007.



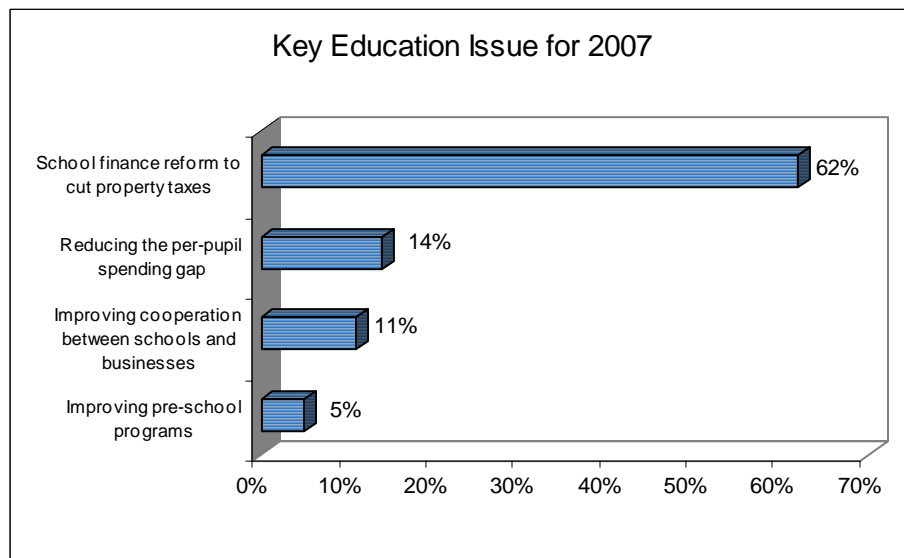
Lawmakers view the chances for getting important work done this year as better than in the recent past. When the IssuesPA/Pew poll asked legislators about the likelihood the legislature will address the issues they consider most urgent in a meaningful way, more than eight in 10 (84%) say it is at least somewhat likely to happen, including three in 10 (31%) who feel it is *very* likely. Just 13% of legislators are pessimistic and say it is not too or not at all likely that their own priorities will be acted upon this year.

Expectations for 2007 are somewhat more positive than lawmakers' evaluations of the amount of progress the legislature has made in its efforts to address important issues in recent years. Seven in 10 (70%) legislators feel that at least some progress has been made, but about three in 10 (28%) feel there has been little or no progress.

Democratic legislators are more optimistic than Republicans that their own top concerns will be addressed this year. Close to half (47%) of Democrats think this is *very* likely compared with only about one in six (16%) Republicans. In addition, legislators who name health care as a top priority are more apt than those who cite property taxes to think meaningful action this year is very likely (45% vs. 29%).

Where the Public Stands: Public perceptions of the chances for legislative action to address critical issues are much less positive. In fact, among the public at large there are about as many pessimists who think meaningful action it is not too or not at all likely as there are optimists who see the chances as very or somewhat likely (39% vs. 41%). By region, the city of Philadelphia is the only place where a majority of the adult population is optimistic about the legislature getting important work done (60% very or somewhat likely/22% not too or not at all likely).

3. Legislators think school finance reform to reduce property taxes should take precedence over actions to improve or expand education.

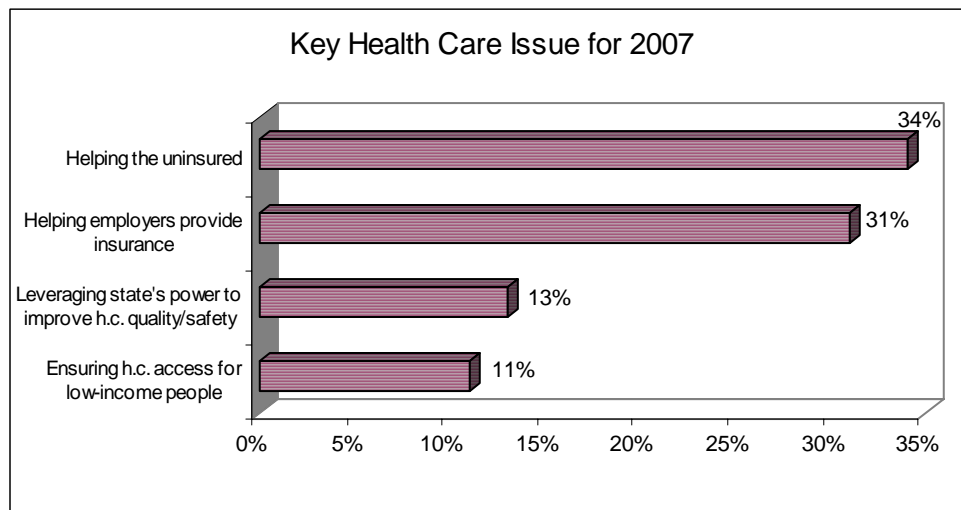


When lawmakers are asked to select one of six items as the most important priority for legislative action related to education, changing the school finance system to cut local property taxes wins out by a substantial margin. Six in 10 (62%) legislators put cutting property taxes first. Democratic and Republican legislators are about equally likely to give the very top priority to property tax reform (56% vs. 67%). A distant second (14%) is reducing the per-pupil spending gap by income level, an education goal that might result from property tax reform.

The importance placed on property tax reform somewhat obscures legislators' desire to get things done on other education issues. Majorities of legislators think three other education-related agenda items should be among the top priorities for legislation this year – the aforementioned reducing the gap in per-pupil spending (55%), along with increasing the number of college graduates trained in math, science, and engineering (58%), and improving cooperation between schools and businesses to better prepare students for jobs. Democratic legislators would add another education item to the list – three quarters (74%) think ensuring access to quality pre-school programs should be a top priority – but far fewer Republicans agree (24%).

Where the Public Stands: Education is an area where the public and the legislature don't quite see eye to eye. Most Pennsylvanians (74%) agree with legislators that property tax reform should be one of the top priorities this year, but only around a quarter (27%) of the public feels it should be the *number one* priority above all other education concerns. Almost as many state residents (22%) would give the highest priority to an education item that barely registers as a top priority of legislators – helping districts meet the requirements of the federal No Child Left Behind act. In addition to helping districts meet the NCLB act requirements, the public differs most from legislators in its support for action to ensure access to quality pre-school programs.

4. Helping the uninsured get health coverage and employees provide insurance top legislators' health care agenda.



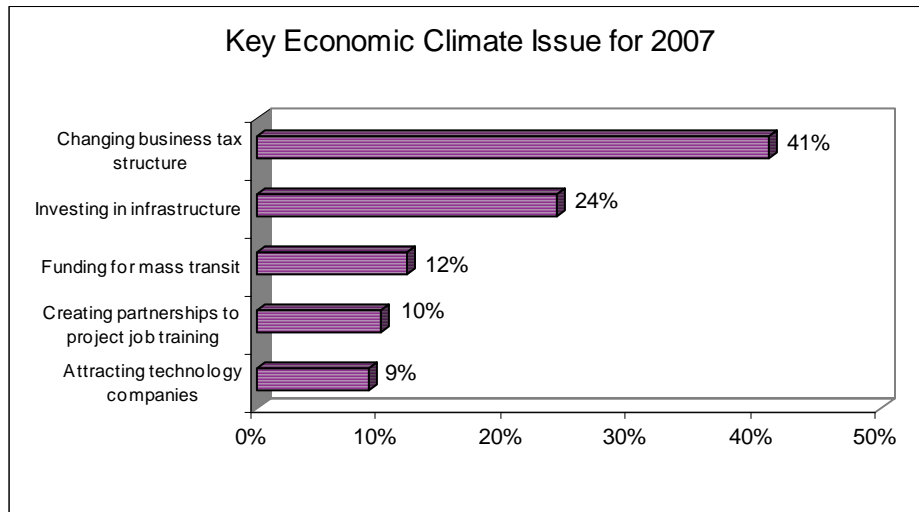
Legislators tend to agree that something needs to be done to improve health care, but they divide along party lines in their specific priorities. The IssuesPA/Pew poll finds that about a third (34%) of lawmakers overall think the top health care priority should be helping the uninsured get health insurance; a similar number (31%) think the number one priority should be helping employers provide health insurance. Democratic members of the legislature are much more likely than those on the other side of the aisle to think helping the uninsured should come first (56% vs. 12%). Republicans are much more likely than Democrats to give the highest priority to helping employers provide coverage (49% vs. 12%).

The two health care items rating next in importance on legislators' lists are much less likely to be seen as deserving the number one priority status – leveraging the state's position as a health care purchaser to improve the quality and safety of care (13%) and ensuring health care access for low income individuals (11%). However, both these items are considered higher, not lower priorities by a majority of legislators.

Where the Public Stands: The public assigns health care an even higher priority for legislative action than lawmakers themselves. As far as their number one health care priority, Pennsylvanians are most likely to choose ensuring access to health care for low-income individuals (38%), followed by helping the uninsured get health insurance (28%) and helping employers provide health insurance (17%).

Partisan differences in health care priorities among the public are not quite as large as those observed for legislators. Rank-and-file Democrats and Republicans are about equally likely to think ensuring access for low-income individuals should be the number one priority (39% vs. 35%). Democrats are somewhat more likely to put helping the uninsured first (33% vs. 23% of Republicans); Republicans are somewhat more likely to put helping employers provide health insurance first (20% vs. 14% of Democrats).

5. Changing the business tax structure and upgrading infrastructure are the top priorities of legislators for improving Pennsylvania’s economic climate.

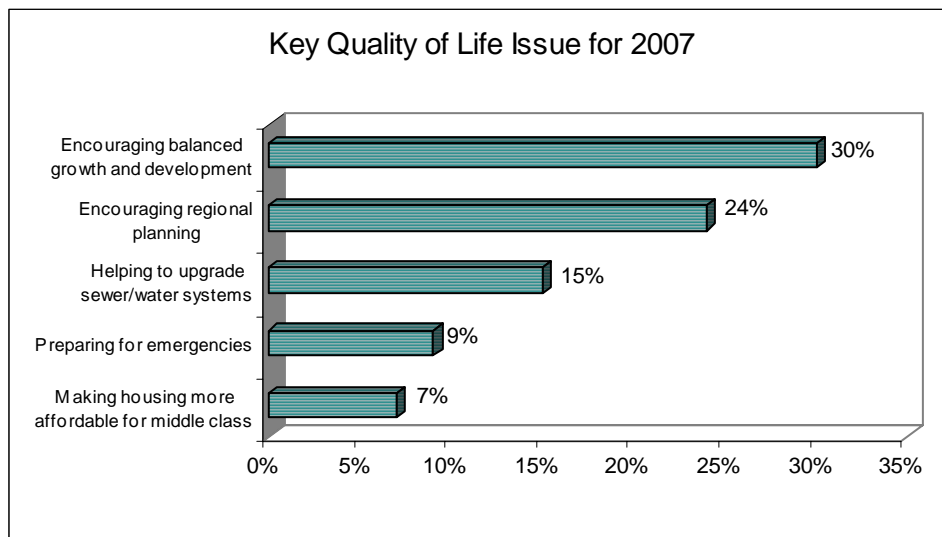


When the IssuesPA/Pew poll asked legislators to rate the importance of five items describing ways to try to improve Pennsylvania’s economic climate, changing the business tax structure to make it easier to attract and retain businesses comes out on top (41%) followed by investing in roads, water systems, and other infrastructure (24%), and providing additional funding for mass transit (12%). However, sharp divisions are found by party and region in lawmakers’ priorities for legislation to improve the state’s economic climate:

- Republican members of the legislature overwhelmingly (68%) put changing the business tax structure at the top of their list, but only 12% of Democrats hold this same view.
- Democratic legislators are more likely than Republicans to think the number one priority should be infrastructure investment (32% vs. 15%).
- Legislators from Southeastern PA are most supportive of prioritizing additional funding for mass transit (28% vs. 11% SW PA and 1% rest of state); Infrastructure investment generally is more often ranked first by legislators from Southwestern PA and rest of state (36% and 30% vs. 5% SE PA).

Where the Public Stands: When the Keystone state residents consider what the legislature can do to improve the economic climate, business tax restructuring and transportation improvements don’t rate quite as high. In fact, when forced to choose the number one priority, Pennsylvanians are most likely to select an item that more directly addresses the job situation --- creating partnerships with businesses and colleges to provide education and job skills training for workers (28%). Changing the business tax structure (22%), and another item related to the quality of jobs – attracting companies that use new and advanced technologies (19%) – are next on the public’s list.

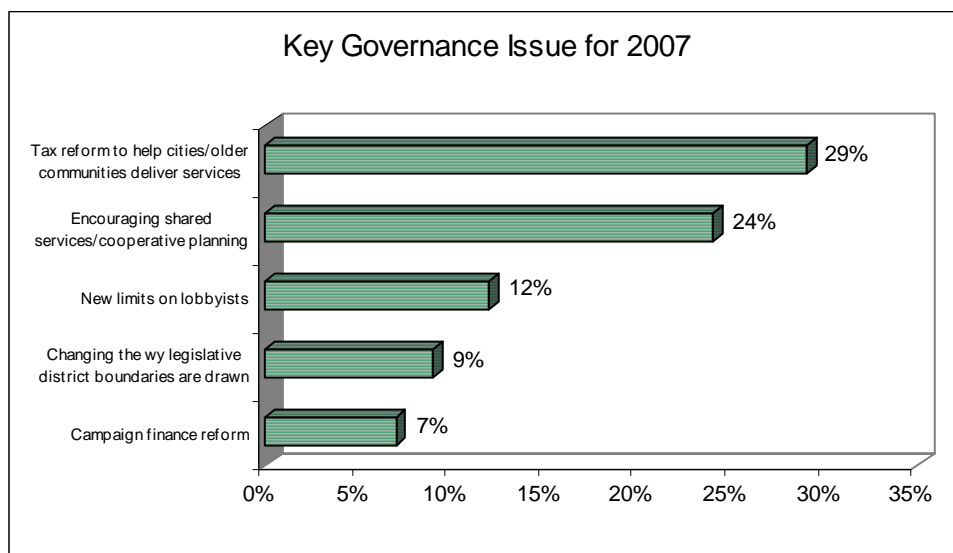
6. Legislators value smart growth and regional planning as most critical to preserving and improving the quality of life for Pennsylvanians.



When asked what should be the top priority for legislative action in this area, legislators most often choose encouraging development that balances economic growth with other concerns (30%) and encouraging local governments to work together and have a common regional plan (24%). Third on their list is helping local governments upgrade water and sewer systems to meet the requirements of the Clean Water act (15%). Legislators from both parties tend to agree that smart growth and regional planning should be the top priorities in this area. Regionally, there is a significant difference between lawmakers from Southwestern PA and Southeastern PA on the importance of acting to help local governments upgrade sewer and water systems. About a quarter (24%) of those representing districts in SW PA want this to be the number one priority in the quality of life category, compared with just 4% of those representing districts in SE PA.

Where the Public Stands: The public generally agrees with legislators that encouraging smart growth and regional planning are worthy goals, but their highest priorities for improving the quality of life lie elsewhere. At the very top of Pennsylvanians' list in this category are making housing more affordable for moderate to low income families (29%), and preparing for emergencies like natural disasters, blackouts, or terrorism incidents (23%). The need for more affordable housing resonates strongest among residents of the city of Philadelphia (41% say it should be the number one priority for legislative action in this category).

7. Legislators see action on tax reform to help cities and older communities deliver services and encouraging shared services as more important this year than moving on political and election reform.



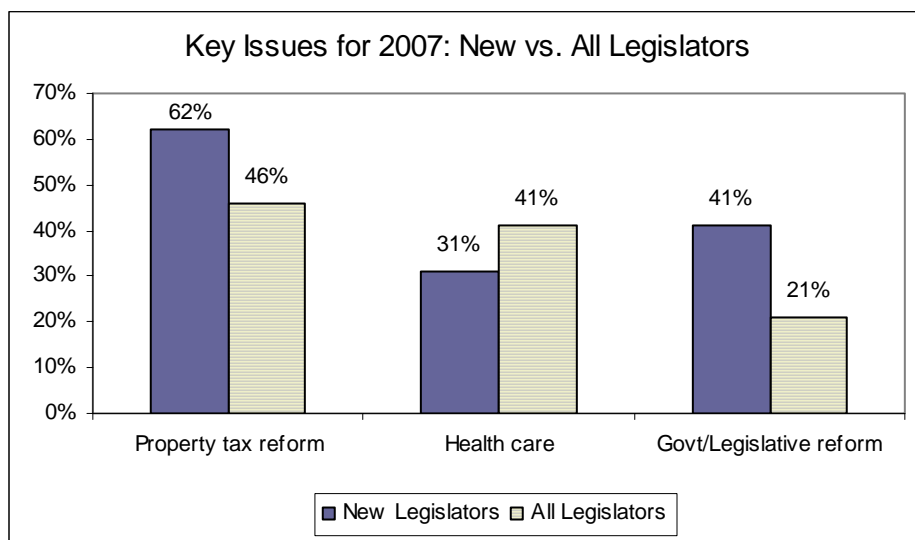
The IssuesPA/Pew poll presented legislators with six possible agenda items for 2007 related to state and local governance. As their number one priority in this area, legislators split between changing the state and local tax structure to help urban areas and older communities deliver needed services (29%) and encouraging shared services and cooperative planning among local governments (24%). Agenda items related to political and election reform are less often seen as most urgent, including new limits on lobbyists (12%), changing the way legislative district boundaries are drawn (9%), and limits on campaign contributions by individuals and political committees (7%).

Partisan differences are seen in evaluations of the importance of specific governance-related issues. Democratic legislators are more likely than their Republican colleagues to say changing the tax structure to help cities and older communities should be the number one priority (43% vs. 15%). Republicans, in contrast, are more likely to put encouraging shared services first (29% vs. 18%).

Certain proposed reforms face high levels of strong opposition from legislators. Less than half of legislators (42%) think reducing the size of the legislature should be even a lower priority, and one-quarter (25%) say this shouldn't be done at all. One in six (16%) legislators take the position that nothing should be done to limit campaign contributions. Democrats are more likely to strongly oppose reducing the size of the legislature (34% should not be done vs. 16% of Republicans). Republicans are more likely to strongly oppose limits on campaign contributions (25% should not be done vs. 7% of Democrats).

Where the Public Stands: The public also tends not to give political and election reform the highest priority for action in the governance category. Close to half (44%) of Pennsylvanians say changing the tax structure to help cities and older communities should be the number one priority. Nothing else comes close, with new limits on lobbyists (12%), limiting campaign contributions (12%) and encouraging shared services (11%) statistically tying for second place.

8. The newest members of the legislature are more focused on fixing property taxes and reforming the political system than are longer-tenured legislators.



Legislators who report having been just elected or having served less than one full year have a unique perspective. They are less likely than established legislators to think a lot or some has been accomplished in recent years (47% vs. 76%), but are slightly more likely to think it is likely that something will get done on their own personal legislative priorities this year (92% vs. 81%).

New legislators start this legislative year with commitment to acting on property taxes and government reform. In terms of their overall objective, six in 10 (62%) new legislators say property tax reform deserves the highest priority and four in 10 (41%) feel the same way about government/legislative reform. That pushes health care to third place on their list (31%).

Further questioning reinforces the importance of these two agenda items with new legislators:

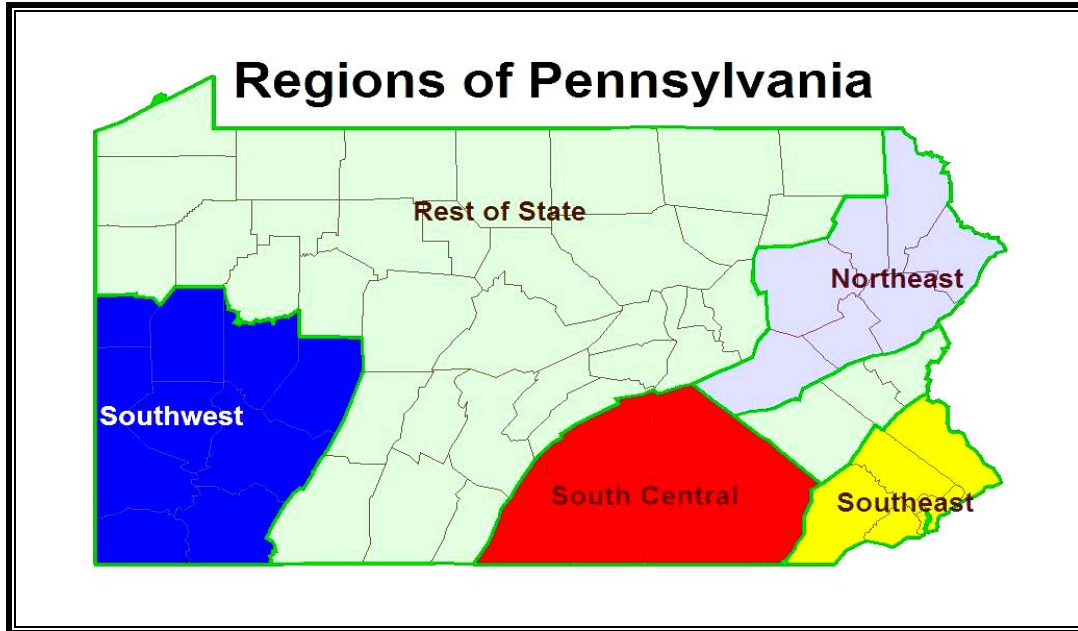
- Seven in 10 (70%) new legislators say school finance reform to cut property taxes is more important than any other education issues this year.
- A majority (55%) of new legislators give a high priority to legislation action that would change the way legislative boundaries are drawn so it is done by an independent commission. Only three in 10 (28%) established legislators share this view.
- Nearly three-quarters (73%) of new legislators give a high priority to new limits on lobbyists, compared with about half (51%) of established legislators.

Survey Methodology for Legislator Survey

The 2007 Pennsylvania State Legislator Survey, sponsored by the Pennsylvania Economy League, obtained interviews with a representative sample of 123 Pennsylvania state legislators. The survey was conducted by Princeton Survey Research International. Data was collected from January 5 to January 31, 2007 using a mixed-mode methodology that incorporated telephone and online interviewing. Results are weighted to ensure the sample profile accurately represents the entire Pennsylvania state legislature. The margin of sampling error for the complete set of weighted data is $\pm 6.5\%$.

Survey Methodology for General Public Survey

The IssuesPA Benchmark 2007 Survey, sponsored by the Pennsylvania Economy League, obtained telephone interviews with a representative sample of 1,096 adults living in Pennsylvania telephone households. The survey was conducted by Princeton Survey Research Associates International. Interviews were done in English by Princeton Data Source, LLC from January 17 to January 30, 2007. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is $\pm 3.3\%$.



PENNSYLVANIA COUNTIES

SOUTHEAST REGION

Bucks
Chester
Delaware
Montgomery
Philadelphia

SOUTHWEST REGION

Allegheny
Armstrong
Beaver
Butler
Fayette
Greene
Indiana
Lawrence
Washington
Westmoreland

REST OF STATE - SOUTH CENTRAL

Adams
Cumberland
Dauphin
Franklin
Lancaster
Lebanon
Perry
York

REST OF STATE - NORTHEAST

Carbon
Lackawanna
Luzerne
Monroe
Pike
Schuylkill
Wayne

OTHER REST OF STATE

Bedford	Lycoming
Berks	McKean
Blair	Mercer
Bradford	Mifflin
Cambria	Northampton
Cameron	Northumberland
Centre	Potter
Clarion	Snyder
Clearfield	Somerset
Clinton	Susquehanna
Columbia	Tioga
Crawford	Union
Elk	Venango
Erie	Warren
Fulton	Wyoming
Huntingdon	
Jefferson	
Lehigh	

For Legislator survey analysis, the South Central and Northeast regions were combined with Rest of State to form one large region.