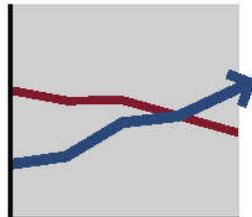


Two Surveys of Likely 2016 Voters in Colorado

609 likely voters, December 1-6, 2015

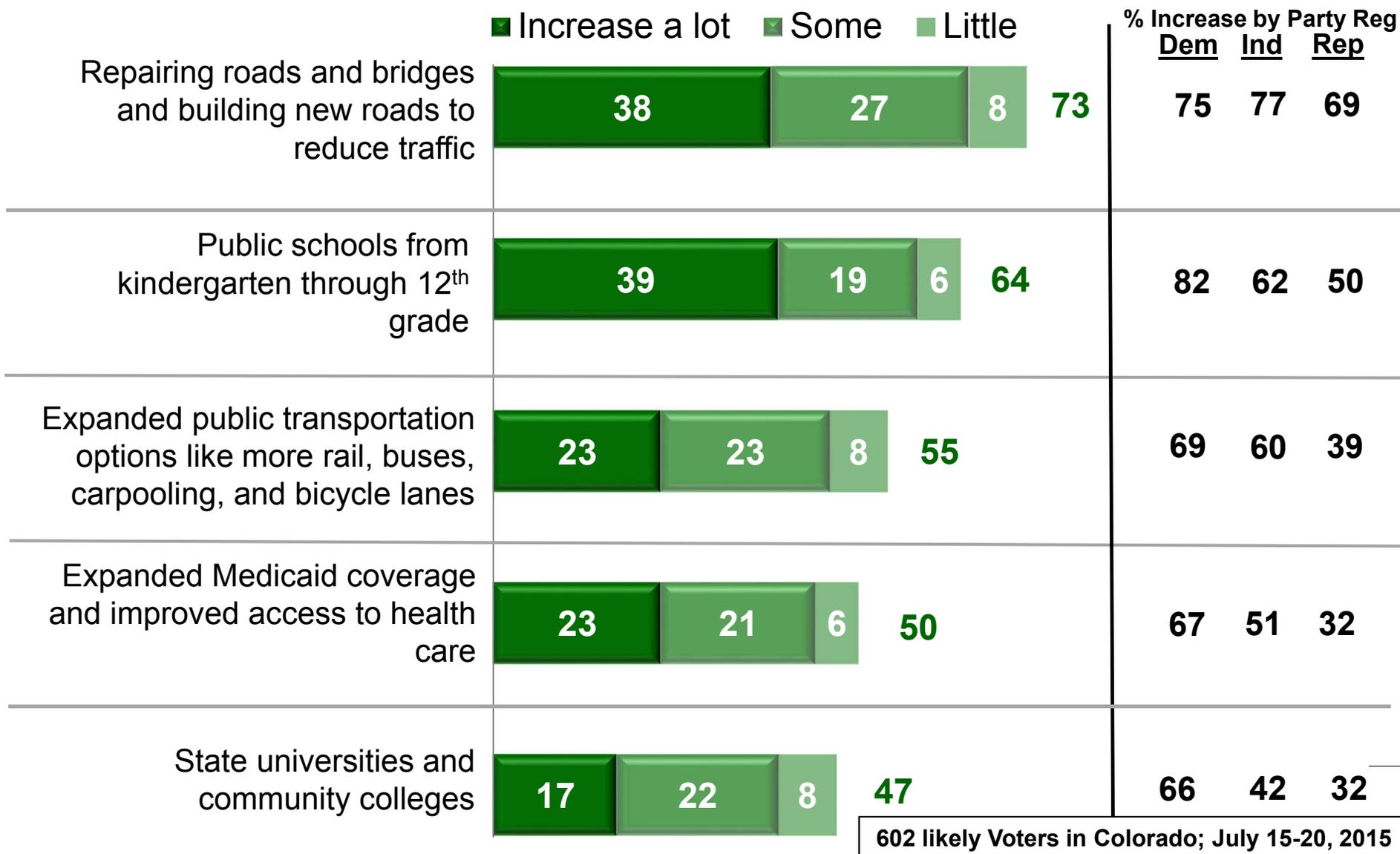
602 likely voters, July 15-20, 2015



**HARSTAD STRATEGIC
RESEARCH, INC.**

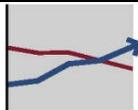
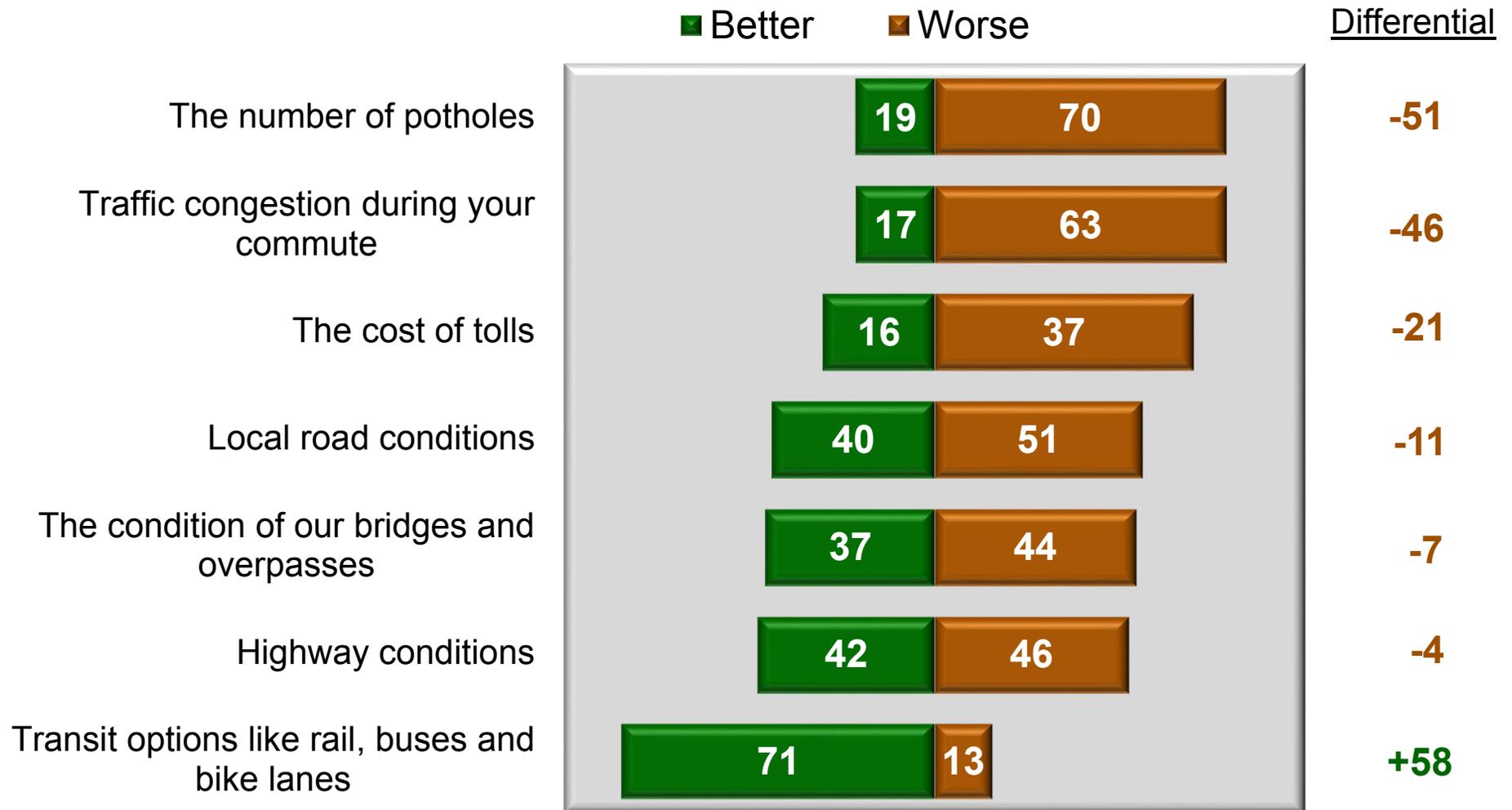
Roads and schools are the top priority for state government

Q2. Let me read you a few issues some people might consider higher or lower priorities for state government here in Colorado. For each one, please tell me if you think state spending for this should be increased, decreased, or kept the same.



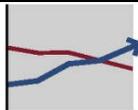
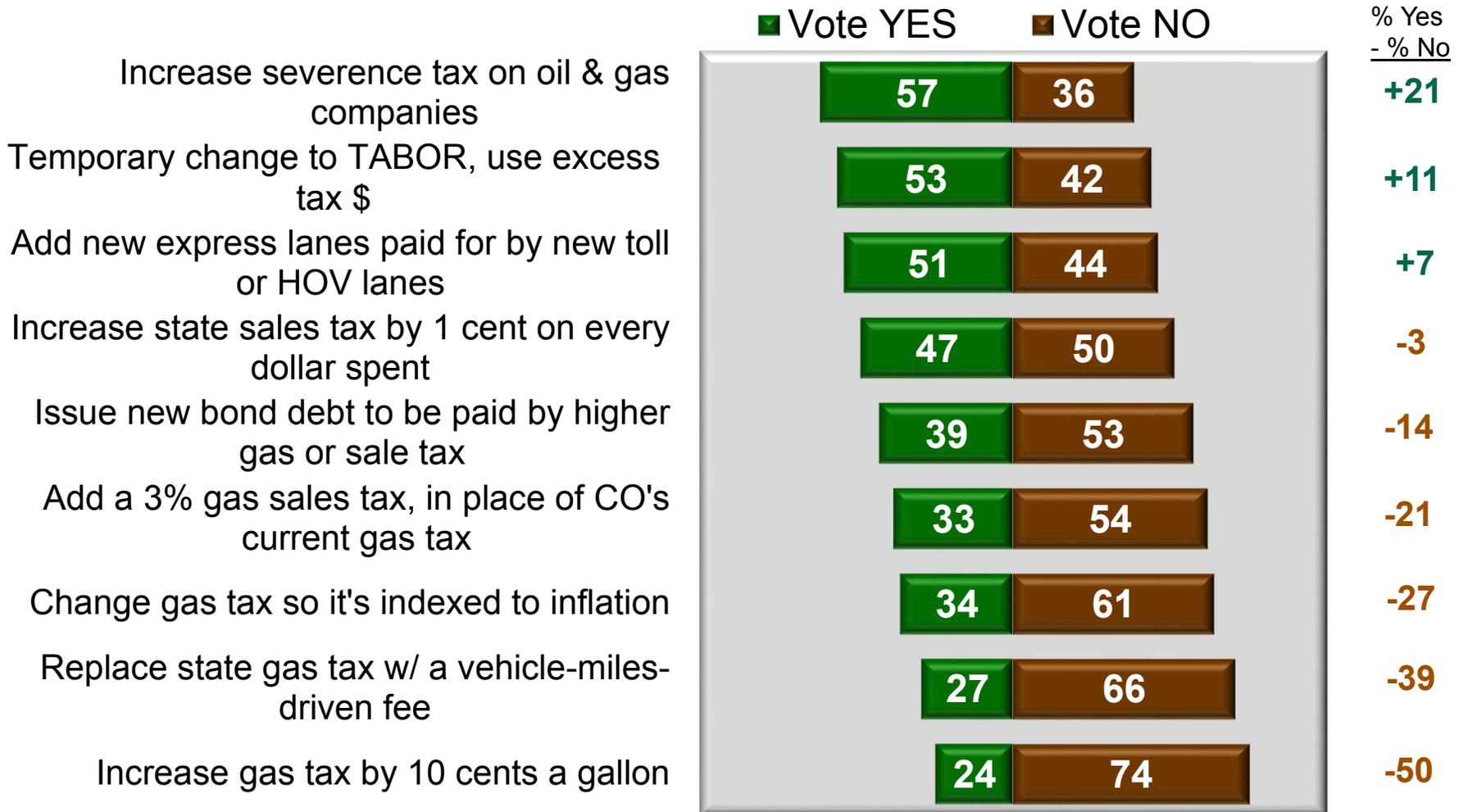
Voters see road conditions worsening

Q11. Let me read you some things related to our transportation infrastructure here in Colorado. After I read each one, I'll ask you whether it has gotten better or worse over the last five years.



We Tested Several Measures to Fund Road Construction and Repair in July 2015

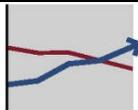
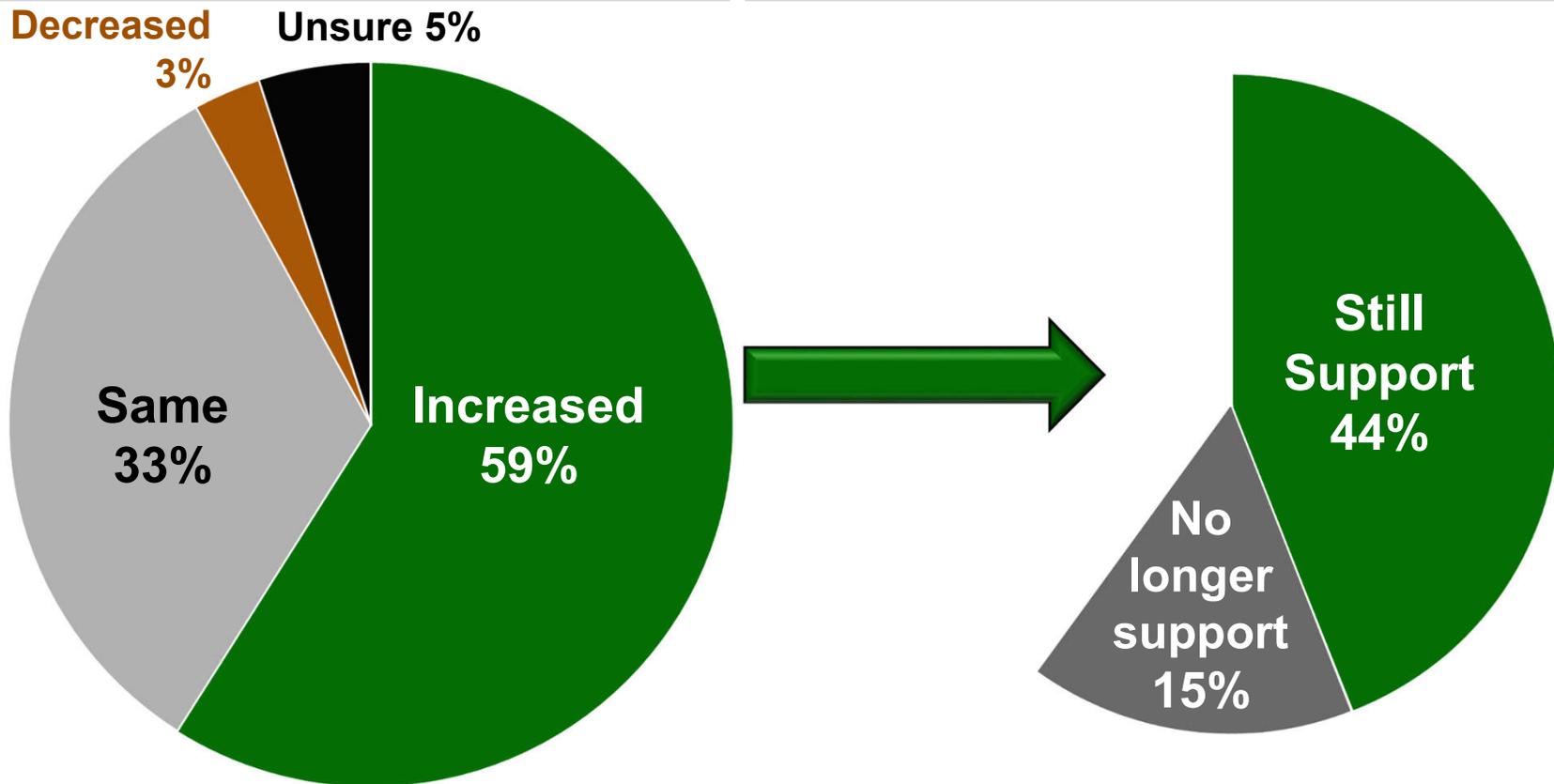
Q7. Let me read you some proposals to raise the funds needed to build and repair our roads and bridges. After I read each one, I'll ask you how you would vote on it if it were on the ballot in the next election.



A majority initially support increasing funding for roads and bridges, but support slips when it entails higher fees or taxes

Q6. Generally speaking, do you think funding for building and repairing roads and bridges should be increased, kept at the same level, or decreased? [Ask if 'increased:'] Would you say funding should be increased a lot, or just a little?

Q6A. [IF INCREASE, ASK:] What if you had to pay somewhat higher fees or taxes, would you still support increasing funding for building and repairing roads and bridges, or would you prefer to keep funding at the same level and avoid having to pay higher fees or taxes?



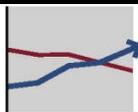
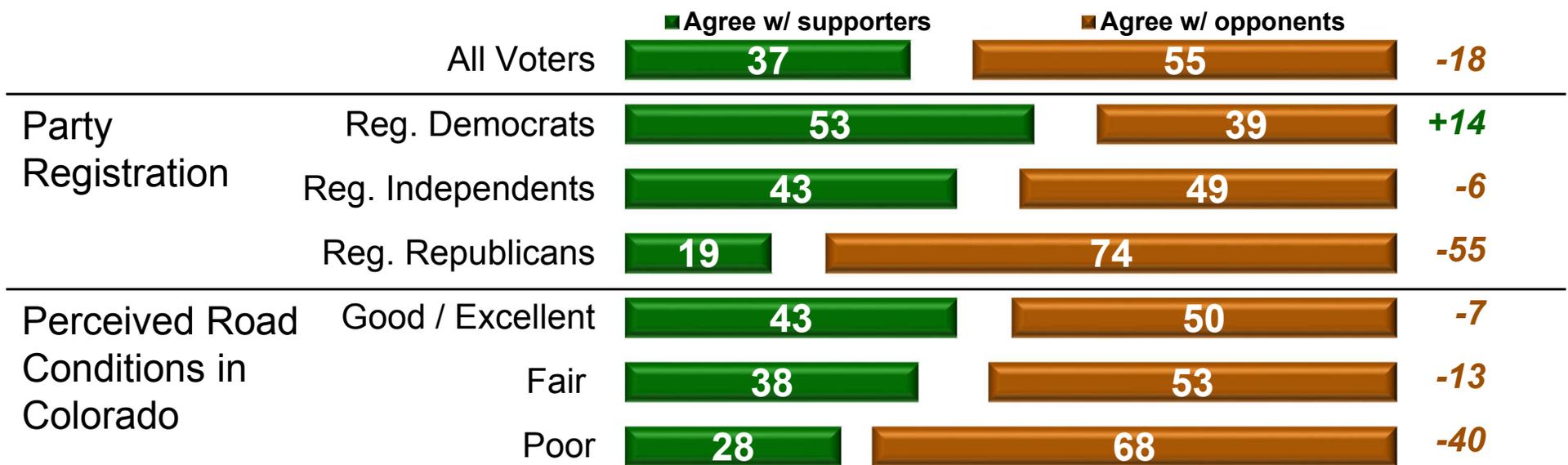
Voters reject an increase in the gas tax after hearing pros and cons

Q9. Given nearly \$1 billion yearly funding gap, one proposal to raise the revenue is to increase Colorado's gas tax by 10 cents per gallon of gas. Now let me tell you what supporters and opponents say about raising the gas tax.

Supporters of raising the gas tax say it is simplest, quickest, and fairest way to pay for repairing highways, roads, and bridges. The price of gas is so low that even with a higher tax, people will pay far less than they were. They say our gas tax hasn't been raised in 24 years – and neighboring western states have just increased theirs. If we don't do something, it will hurt our economy and quality of life.

Opponents of raising the gas tax say it will hurt the economy. They say if businesses are forced to pay more for fuel, they can't hire. They say the gas tax is unfair, that farmers, those who depend on the car, and those who can least afford it will end up bearing most of the cost. They also say there is enough funding for our roads but too often it is wasted.

Now, hearing a more about raising the gas tax, do you agree more with supporters or opponents of raising the tax?

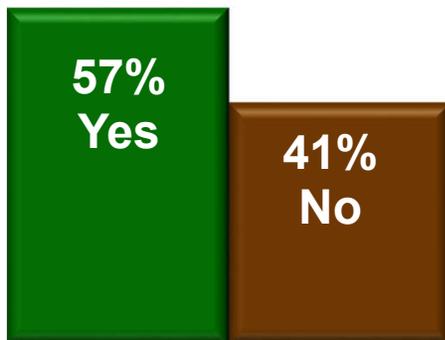


We Focused on a Few Promising Alternative Ballot Measures in the December Survey

As a ballot measure, this proposal would read: *[Read, randomize]* – would you definitely vote yes, probably vote yes, probably vote no, or would you definitely vote no?

Sales tax increase of $\frac{3}{4}\text{¢}$ per dollar

+16

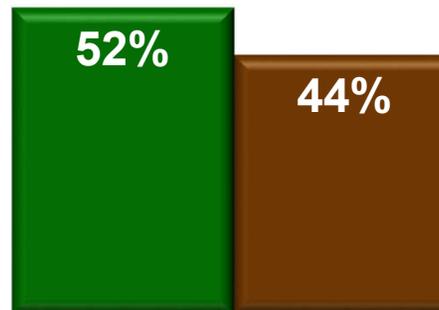


Yes No

Shall state taxes be raised by \$650 million. This proposal would increase the sales tax by $\frac{3}{4}\text{¢}$ per dollar spent. The revenue would be dedicated to the Highway User Trust Fund for road and bridge construction and repair

Versions of a 1¢ sales tax increase and 10¢ gas tax cut

+8

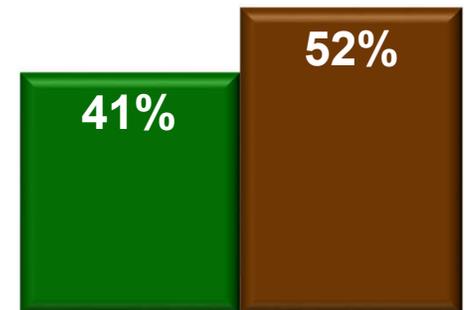


Yes No

Shall state taxes be raised by \$900 million. This proposal would increase the sales tax by 1¢ per dollar spent / cut the gas tax by 10 ¢ per gallon / revenue dedicated to the Highway User Trust Fund

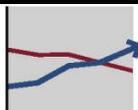
Bonding Measure

-11



Yes No

Shall the state of Colorado's debt be increased by \$3.5 billion by issuing bonds to address transportation, road and bridge projects. The maximum repayment cost would be \$5.5 billion

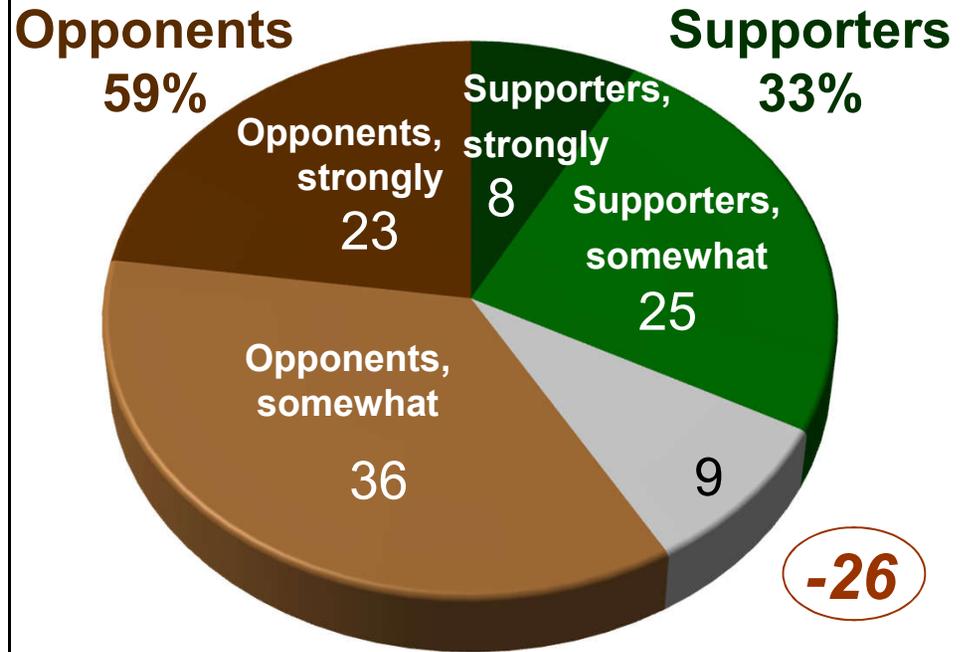
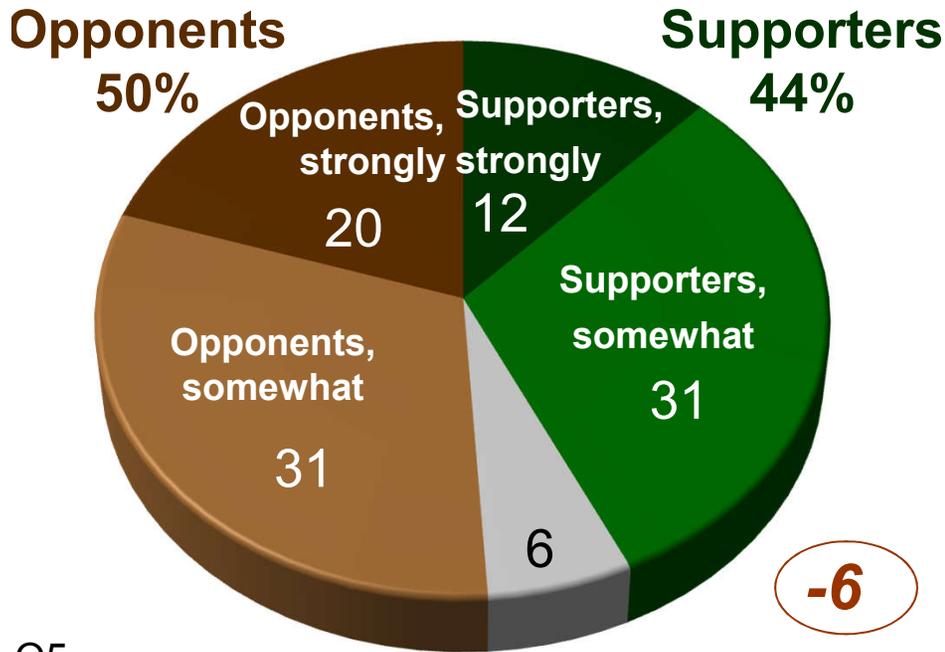


Voters Reject the Bonding Measure Despite the Fact that it Doesn't Involve a Tax Increase

Supporters of the proposal say this bonding program is needed to jump-start critical transportation projects across Colorado. They say there is a list of 50 or more projects that must be addressed, and bonding might be the only way. They also say that this can be done without a tax increase.

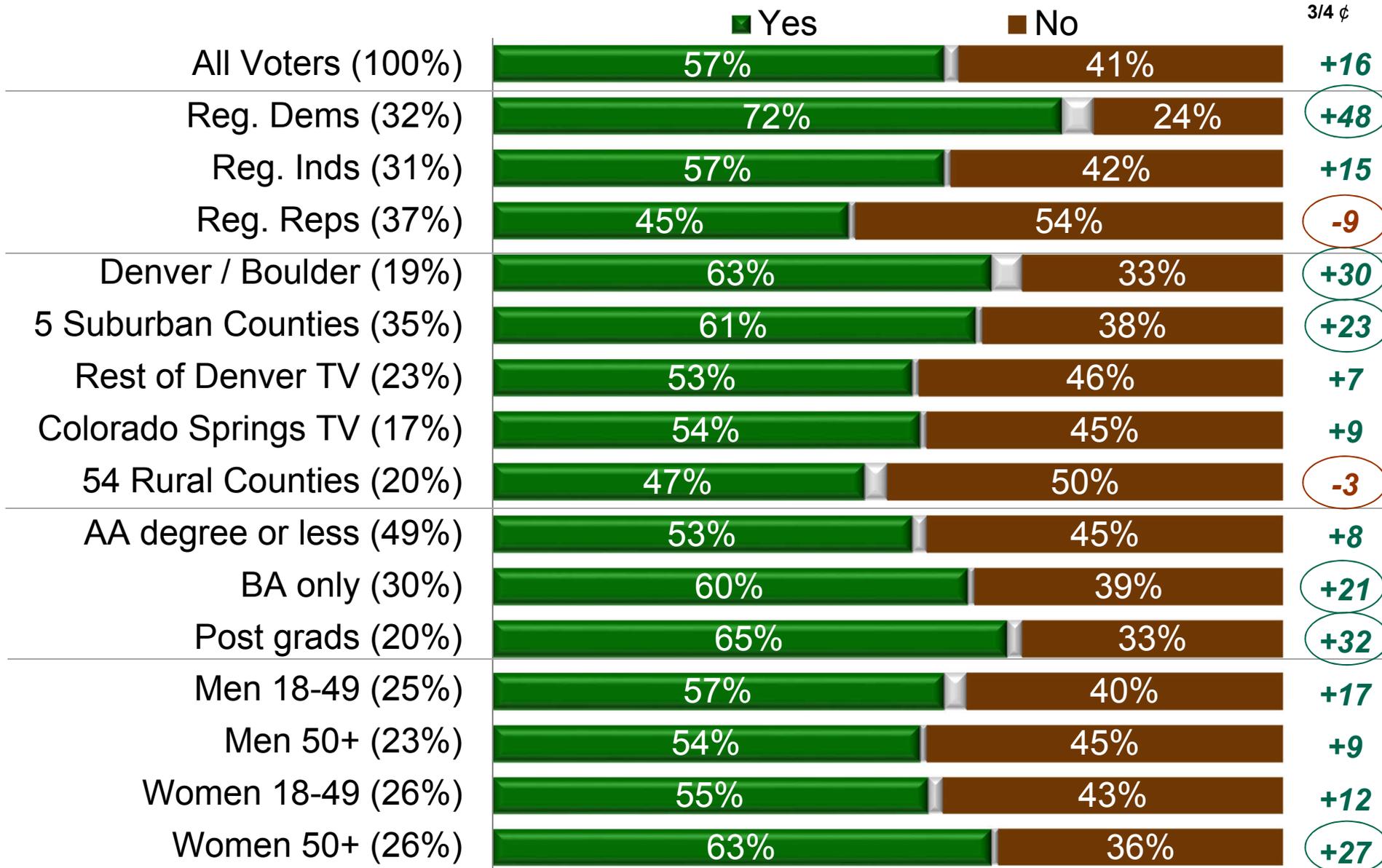
[1/2 of the sample] **Opponents** of the proposal say that the last thing Colorado needs is more debt. They say that repaying up to \$5.5 billion means a big tax increase later – because either taxes go up, or the transportation budget is stripped later on. And they say that it gives the funding to the state for big projects, and that we ought to be giving local towns and cities funding to repair their roads.

[1/2 of the sample] **Opponents** of the proposal say it is irresponsible and deceptive. They say that the money to repay \$5.5 billion has to come from somewhere – if it doesn't come from the budget for roads, it means cutting billions from the budget for public schools. They say it is deceptive because they are acting like it is free money, and they say it's irresponsible because it isn't free money and it will hurt the schools.



Support for the 3/4¢ per Dollar Spent State Sales Tax Increase

% Yes -
% No on
3/4 ¢



The Way We Characterize the Problem and Solution will Help Shore Up Support

Facts About the Problem

Over half of our state roads are rated in poor condition and one-third of these poor roads will require major reconstruction

16% of Colorado bridges are in need of repair and 6% are structurally deficient

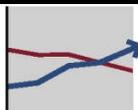
The Colorado Department of Transportation – C-DOT – has had to cut its budget by 30% and they can't keep up with needed road repairs.

Facts about the Solution

Funds raised would go into the Highway Users Trust Fund, which is constitutionally protected so that it can't be raided or used for any other purpose other than road and bridge construction and repair.

The sales tax increase would provide more funding for local governments, towns and cities – over \$220 million a year *[in the case of the 1-10 proposal]* – for local road construction and repair.

Results from regression analyses on voters' support for the 1-10 proposal



Voters' Response to Arguments Opposing the 1-10 Measure

Q11. Next, I'm going to read you some concerns people have raised about the proposal. For each one, please tell me how much it TROUBLES you – a great deal, quite a bit, just somewhat, or not at all.

■ % Great Deal + Quite a Bit Troubling

ONLY PARTS OF DENVER WILL BENEFIT Any major road construction will only benefit part of the Denver metro area, and the rest of us will be paying for it in higher taxes – \$900 million in higher taxes

44

HOLD ACCOUNTABLE We need to hold road construction companies accountable for sticking to a budget, not write them bigger checks.

42

HIGHER TAXES / POCKETBOOK This means \$900 million in higher taxes – and it hurts working families in Colorado. We need more money in our pockets, not less.

40

CONSTRUCTION CORPORATIONS Big road and highway construction corporations are behind this proposal, secretly pushing it because they will make millions in profits from the \$900 million tax increase.

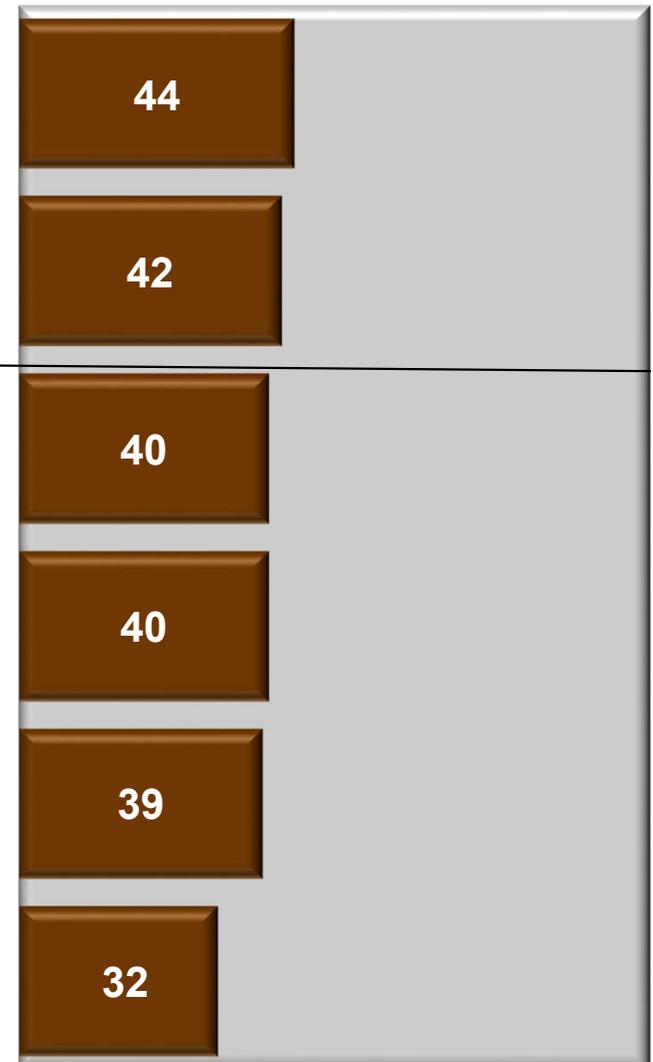
40

SHELL GAME The proposal is a deceptive shell game meant to trick Colorado voters into thinking they may save money, when in fact it will result in a big tax increase.

39

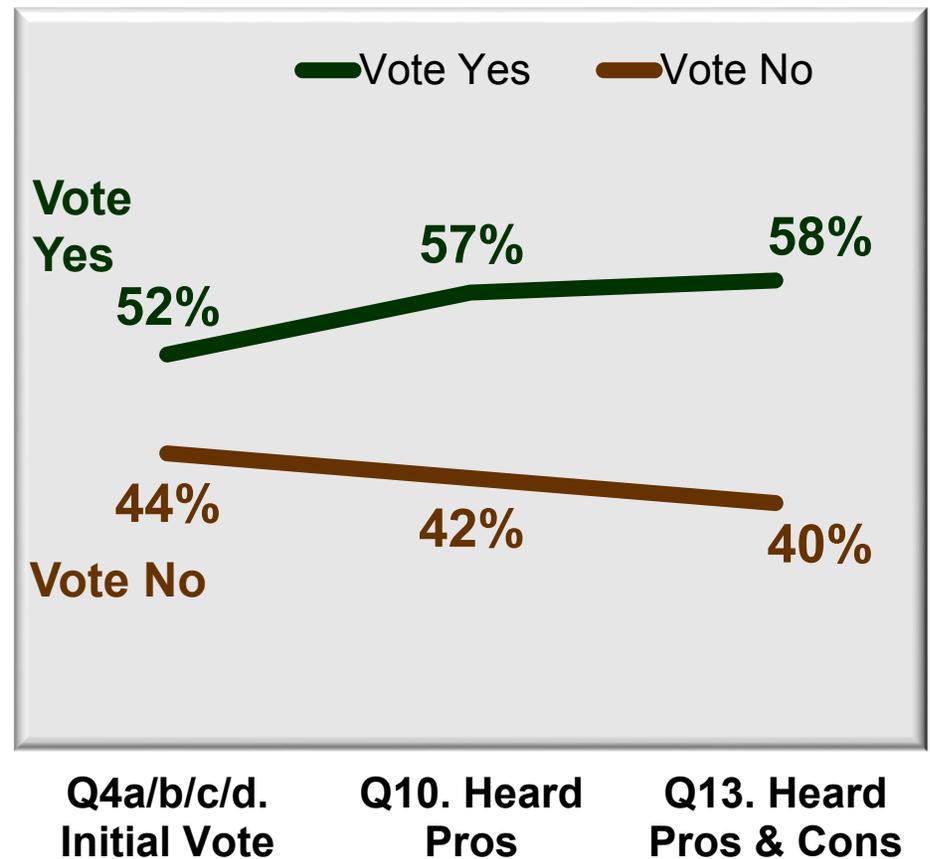
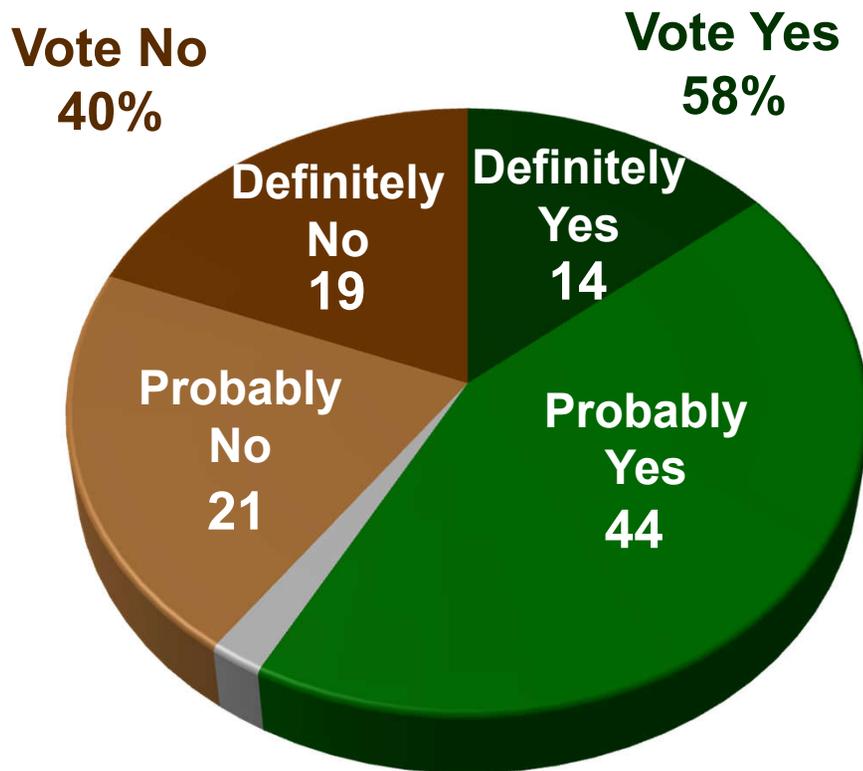
BIG NEW HIGHWAYS We have all seen the boondoggles of big new highways and toll roads – it is a waste of our tax dollars.

32

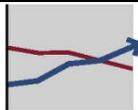


Vote After Hearing 7-8 Pros and 3 Cons

Q13. Shall state taxes be raised by \$900 million by cutting the gas tax by ten cents per gallon and increasing the sales tax by one cent per dollar spent. Revenue from the one cent sales tax increase would be dedicated to the Highway User Trust Fund for road and bridge construction and repair.



*all numbers are percentages



Reasons for Supporting the 1-10 Measure Among Voters Who were Persuaded to Support It

Q14. Of all of the reasons you've heard to support the proposal, which ONE do you think is most important?

