

October 28, 2010

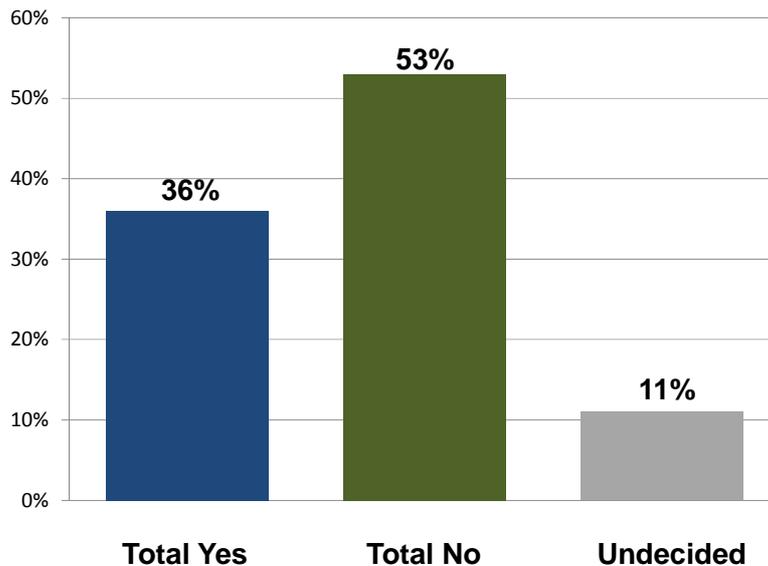
To: Interested Parties
From: Ben Tulchin, Corey O'Neil and Kristin Hunziker, Tulchin Research
Re: **New Statewide Poll Shows Propositions 19 and 23 Trailing, Propositions 25 and 26 Leading**

The latest California Statewide poll conducted by Tulchin Research shows that with only a few days left until Tuesday's general election, Propositions 19 (marijuana legalization) is struggling to find support in the final days while Proposition 23 (to repeal California's global warming law, AB 32) is unlikely to pass. Additionally, Propositions 25 (majority vote to pass budget) and Proposition 26 (two-thirds vote for passage of state and local fees) remain slightly ahead but both currently do not yet attract a majority support.

Proposition 19 Going Up in Smoke. Proposition 19, which would legalize, regulate and tax marijuana, is supported by just over a third of likely voters (36%) while a majority (53%) opposes the measure and more than one in ten voters (11%) remain undecided. What does not bode well for Prop 19 is the fact that nearly half (47%) of voters indicate they will *definitely* vote no while support is more tepid (29% definitely yes).

Proposition 19

Proposition 19 would legalize marijuana under state law as well as permit local governments to regulate and tax the production, sale and distribution of marijuana. There is potential for tax and fee revenues in the hundreds of millions of dollars. If the election were held today, would you vote yes or no on this proposition?



The measure now has an equal share of both support and opposition by Democrats (44%), suggesting this is not a purely partisan issue. More than two-thirds of Republicans (68%) oppose the measure. Among Decline-to-State voters, 42% support Prop. 19 while 45% are opposed.

Proposition 19 - Support by Party

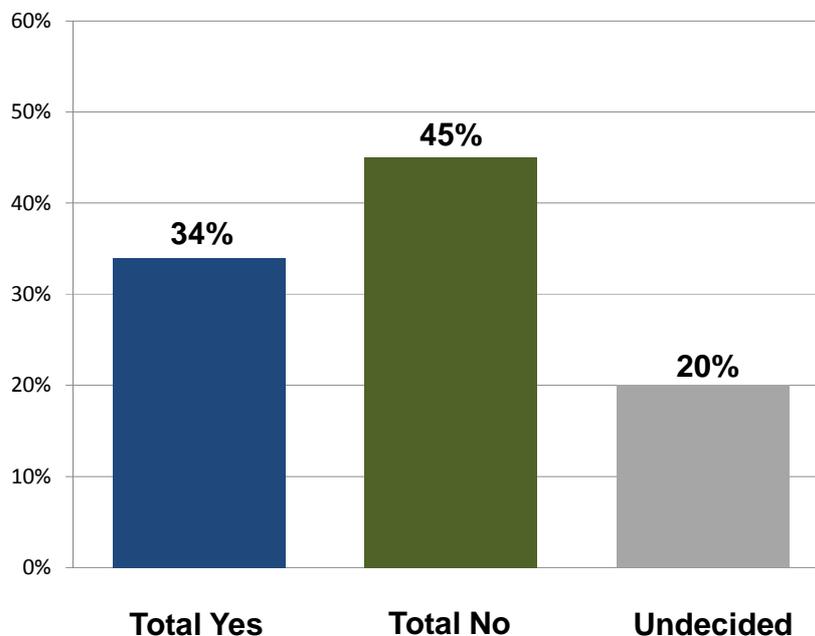
	Yes	No	Undecided
Democrat	44%	44%	11%
Republican	22%	68%	10%
DTS/Other	42%	45%	13%

Regionally, Prop. 19 finds its strongest opposition in the Central Valley (61% no to 29% yes), the Los Angeles Area (59% no to 35% yes, whereas LA County is 50% no to 35% yes), and San Diego (55% no to 29% yes). Support for the measure is strongest in the San Francisco Bay Area (44% yes though 46% are no) and the Sacramento area (42% yes to 50% no).

Voters on Verge of Rejecting Proposition 23. Proposition 23, the measure to suspend AB 32, is supported by just 34% of voters while 45% of voters are against the measure. One in five voters (20%) remains undecided. Intensity favors opponents as 38% of voters say they will *definitely* vote no while just 25% report they will *definitely* vote yes.

Proposition 23

Proposition 23 would suspend the implementation of the state’s air pollution control law known as A.B. 32 requiring major sources of emissions to report and reduce greenhouse gas emissions that cause global warming, until unemployment drops to 5.5 percent or less for a full year. There would likely be a modest increase in overall economic activity from suspending regulations. If the election were held today, would you vote yes or no on this proposition?



Democratic opposition to the measure stands at 56% to only 22% who support it. Among Decline-to-State voters, the measure’s outcome is a little tighter with 31% supporting the measure and 46% in opposition, with close to a quarter (23%) still undecided. Republicans support the measure by a 20-point margin – 51% yes to 31% no.

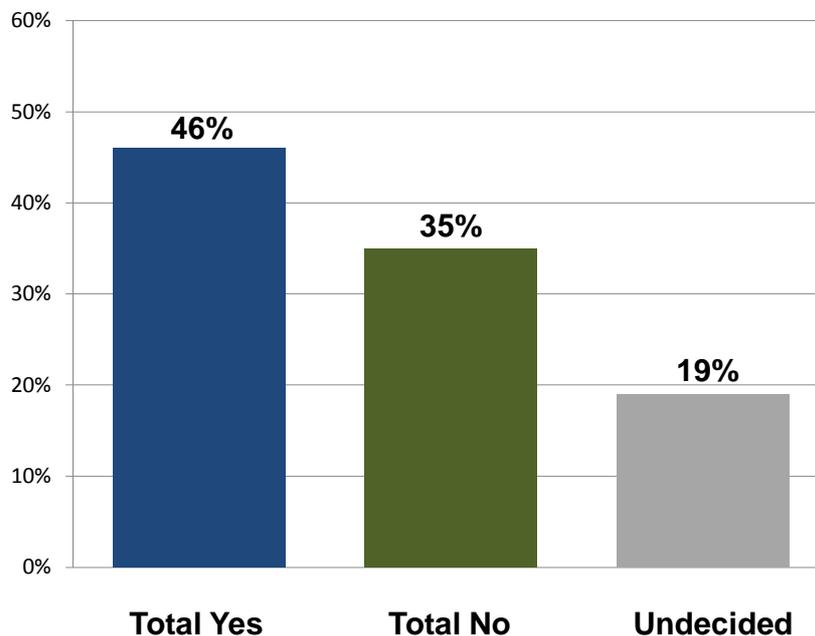
Proposition 23 - Support by Party

	Yes	No	Undecided
Democrat	22%	56%	21%
Republican	51%	31%	18%
DTS/Other	31%	46%	23%

Proposition 25 (budget majority vote) Leads But Does Not Yet Draw a Majority. Support for Proposition 25, the measure to change the legislative vote requirement to pass the budget from a 2/3 majority to a simple majority, outweighs its opposition but it currently falls short of a majority, indicating this race is not over by any stretch. Presently, a plurality supports the measure (46% yes) while 35% oppose it and nearly one in five voters (19%) is undecided.

Proposition 25

Proposition 25 would change the legislative vote requirement to pass the budget from two-thirds to a simple majority, except for taxes. It includes provisions that would forfeit salary and expenses from lawmakers until the budget passes. If the election were held today, would you vote yes or no on this proposition?



Democratic support for the measure is at 59% to only 20% who oppose it. Republicans oppose it but not by the same margin (32% yes to 51% no). Independent voters are closely divided as 43% support it while 39% oppose it.

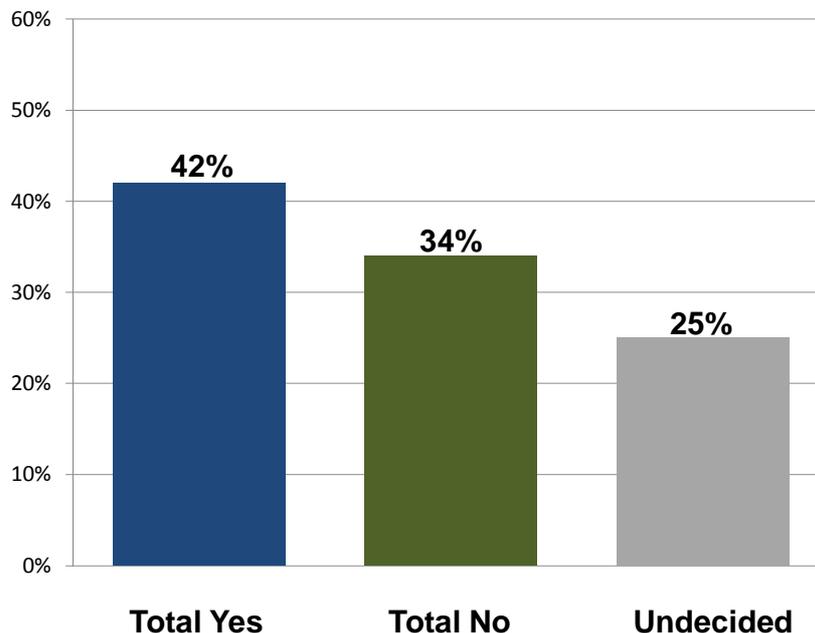
Proposition 25 - Support by Party

	Yes	No	Undecided
Democrat	59%	20%	20%
Republican	32%	51%	17%
DTS/Other	43%	39%	18%

Proposition 26 (2/3 vote on fees) Hangs in the Balance. Proposition 26, the initiative to require that certain state fees be approved by a 2/3 vote in the Legislature and local fees by 2/3 of voters, is the tightest race of the four measures we tested in the survey. Currently, Prop 26 leads by only 8 points and is well under 50% as 42% of likely voters currently support this measure while 34% are opposed, with a quarter of voters (25%) still undecided. Intense support (28% definite yes) barely outnumbers intense opposition (24%).

Proposition 26

Proposition 26 would require certain state fees to be approved by a two-thirds vote of the Legislature and certain local fees be approved by two-thirds of voters. The measure also increases the legislative vote requirement to two-thirds for certain tax measures, including those that do not result in a revenue increase. If the election were held today, would you vote yes or no on this proposition?



Proposition 26 has a very distinct pattern of support by partisanship as Democrats and independents are divided over the measure while Republicans lean towards supporting it. Specifically, a plurality of Democrats opposes the measure (41%) while just over a third (35%) supports it. Independents are closely divided as 42% support it and 35% oppose it. Republicans, on the other hand, support the measure by a 50% to 24% margin.

Proposition 26 - Support by Party

	Yes	No	Undecided
Democrat	35%	41%	24%
Republican	50%	24%	26%
DTS/Other	42%	35%	23%

Survey Methodology: From October 25 – October 27, 2010, Tulchin Research conducted a telephone survey among 700 likely November 2010 general election voters in California. The margin of error for this survey is +/- 3.7 percentage points.