



December 1, 2016

TO: Bridger Mahlum

FROM: Erik Iverson

RE: Montana Voter Survey Results: November 2016

Methodology: A total of 800 telephone interviews were conducted November 14-17, 2016 among a representative sample of registered voters in Montana. Interviews were conducted using live interviewers and included landline and cell phones. The sampling error is plus or minus 3% at the 95% confidence level.

SUMMARY & HIGHLIGHTS

Perceptions of Montana Organizations

Business organizations like Montana's Chamber of Commerce continue to be well-regarded by voters throughout the state (67% favorable/13% unfavorable). Voters are less positive about labor unions like the AFL-CIO (41/33%) and environmental groups like Montana Conservation Voters (41/33%). Voters are least familiar and least impressed with Montana trial lawyers (27/22%). Sentiment on each of these groups was similar in our February 2016 survey.

When voters are asked to describe how much influence they believe these same organizations should have over public policy decisions in the state, the plurality of voters are satisfied with the level of influence of business organizations like the Chamber have (38% right amount), while those who prefer the Chamber's level of influence change are divided about how (24% want more influence, 22% want less influence). At the same time, pluralities of voters with an opinion about how much influence labor unions, environmental groups and trial lawyers should have on public policy decisions say they would like to see each of these groups have less influence on public policy decisions in the state.

The Chamber is also the most positively viewed group when voters are asked about candidate endorsements. Specifically, a candidate endorsed by the Montana Chamber of Commerce is most popular (for 39%), followed by a candidate endorsed by environmental groups (21%) or a candidate endorsed by labor unions (16%). Just 4% would most likely vote for a candidate endorsed by trial lawyers.

Perceptions of Montana Businesses

Voters hold Montana's businesses in high regard, as evidenced by the following:

- Nearly seven-in-ten (67%) say the state's business community deserves the most credit for economic growth, while just 23% would attribute economic growth to public officials.
- Majorities of voters trust that Montana businesses can be expected to do the right thing to protect the environment and treat their workers fairly when it comes to workplace benefits.
- Additionally, 59% believe "businesses can be trusted to take good care of the state's natural resources and the government should intervene only in the worst cases," while 36% say "many businesses will cut corners and damage the environment unless strong government rules and regulations are in place."

- Montanans are more than twice as likely to say they “trust businesses to follow the rules set for them” than they are to believe “businesses can’t be trusted to follow rules” (70-23%).
- Fully 77% say businesses get things done more efficiently than government.

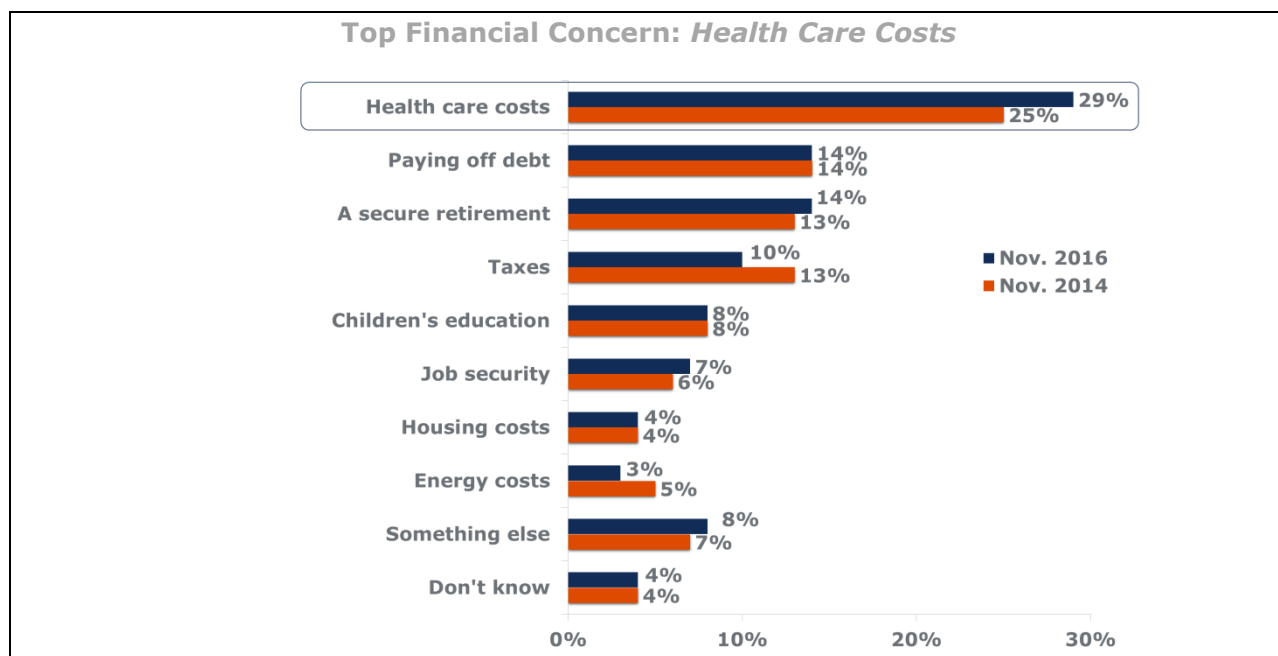
Other Issues

- Health care costs are the top financial concern for Montana voters today and have consistently been the top financial/pocketbook concern for Montanans since 2009.
- Looking at voters’ priorities for the next legislative session, controlling government spending (19%), increasing education funding (17%), improving access to health care (17%) and improving local infrastructure (14%) are at the top of the list.
- By an overwhelming 87-10% margin, Montana voters believe Montana’s State Supreme Court Justices should be elected by voters rather than appointed by the Governor. This sentiment is widely held among Republicans, Democrats and Independents, alike.
- By a 48-28% margin, Montana voters believe a 2-year degree, technical program or certificate better prepares students for the workforce than a 4-year undergrad degree.
- There is no consensus as to what step the Montana Legislature should take to stabilize state revenues. When informed that revenues are expected to fall \$335 million short of projections for the next biennium, the most popular solution is to dip into the state’s Rainy Day Fund (33%), while 21% would increase taxes, 18% would delay infrastructure improvements and 8% would reduce the education budget.
- There is wide support for mining today among seven in ten voters (73% support mining in Montana, 20% oppose mining, 7% don’t know).
- More than eight-in-ten voters support legislation that would require doctors, hospitals and surgical clinics to provide price estimates to customers having a planned major medical event, prior to their procedure – 85% support, 9% oppose. Sentiment on this issue is strong, as fully 56% “strongly” support the idea.
- By a 5:1 margin, Montana voters support legislation that would cap the Coal Tax Trust Fund at a balance of \$1 billion and have future funds invested in critical infrastructure projects around the state (69% support, 14% oppose).
- Two-thirds of Montana voters (67%) say they would support legislation that would change the criteria of the resort tax to allow more local communities to implement a resort tax if at least 50% of the revenues collected would be allocated to funding critical-need infrastructure projects like roads, bridges and water systems. The remaining 33% would oppose this legislative proposal. Further, among supporters of the proposal, changing both the economic and population criteria is favored by 48% of voters, while 22% would change only the economic requirement and 11% would change only the population requirement.
- Montana voters remain nearly universal in their agreement that “holding Montana’s public schools to high academic standards is an essential component of ensuring that Montana children remain competitive in a global economy.” Fully 88% agree and 7% disagree (compared to 90% agree, 6% disagree in February).

More details follow.

Financial Concerns

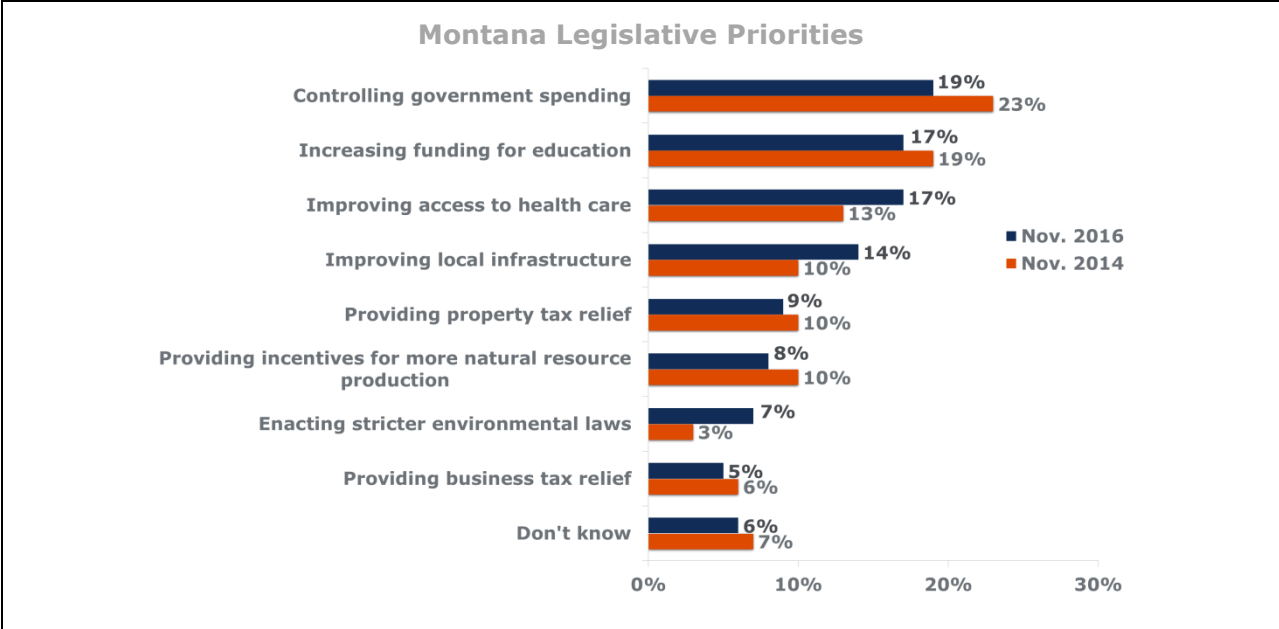
Today, health care costs remain the top financial/pocketbook concern (29%), followed by paying off debt (14%), ensuring a secure retirement (14%) and taxes (10%). Pocketbook concerns today are statistically unchanged from the November 2014 survey, when we last asked this question. Looking back even farther, we find that health care costs have consistently been the top financial/pocketbook concern for Montanans since 2009.



Looking at subgroups, some of the biggest differences in financial concerns are seen by age. Voters age 18-44 are equally concerned with health care costs and paying off debt, but voters age 45 and older are most likely to be concerned primarily with health care costs. We also find that concerns about a secure retirement are significantly higher among voters age 45 and older than among the younger crowd. Looking at partisan vote behavior, we find health care costs are the top pocketbook concern for Republicans, Democrats and Independents alike. Though not a top concern, Republicans are more likely than Democrats or Independents to be concerned about taxes and paying off debt.

Legislative Priorities

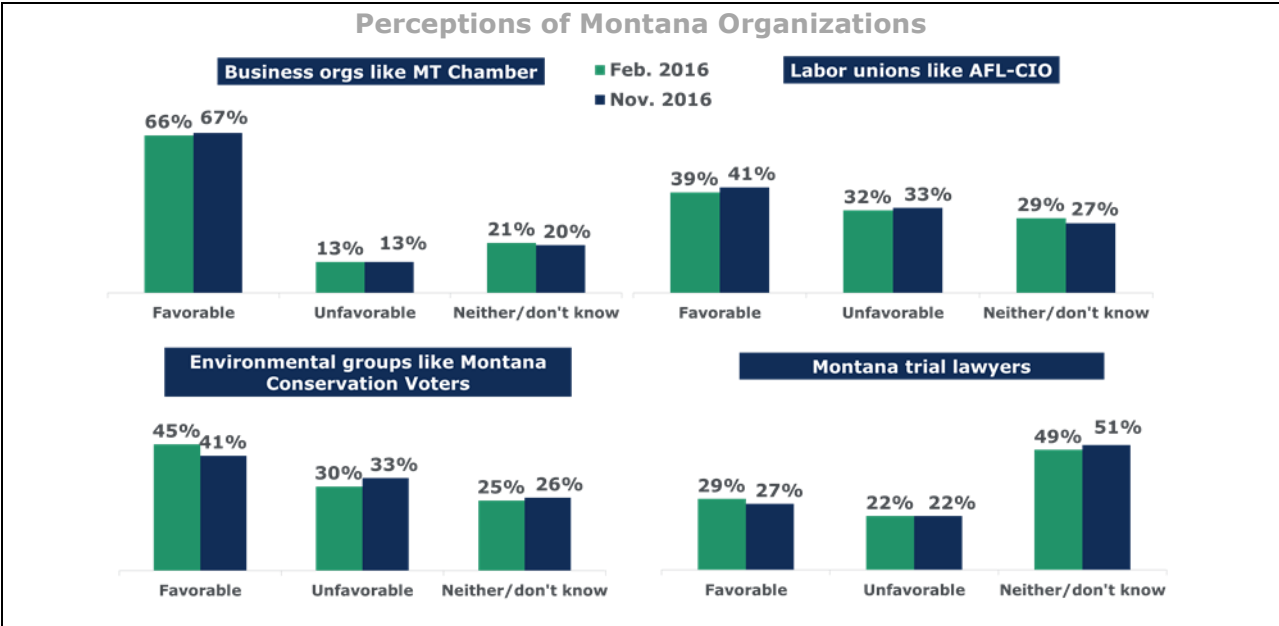
Looking at voters' priorities for the next legislative session, controlling government spending (19%), increasing education funding (17%), improving access to health care (17%) and improving local infrastructure (14%) are at the top of the list, while fewer than one-in-ten prioritize property tax relief (9%), incentives for natural resource production (8%), stricter environmental laws (7%) and business tax relief (5%).



By party, Republicans want the legislature focused on controlling government spending but Democrats' top priorities are threefold; increasing education funding, improving access to health care and improving local infrastructure. There is no consensus among Independents.

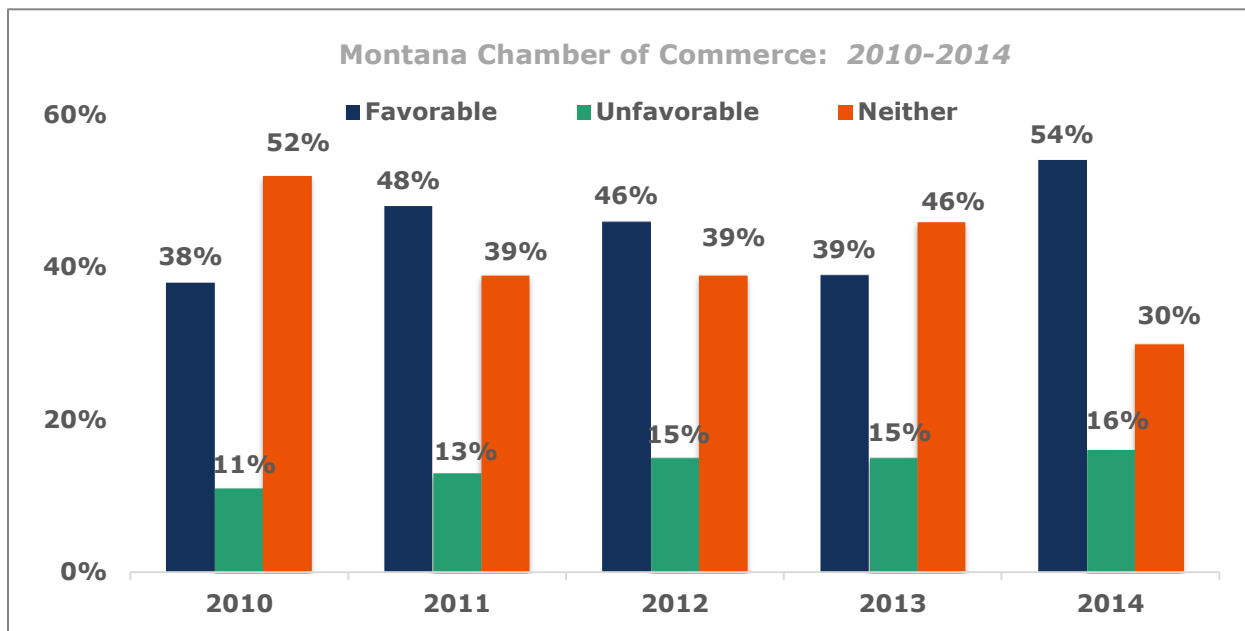
Perceptions of Organizations

Voters continue to hold "business organizations like the Montana Chamber of Commerce" in high regard (67% favorable/13% unfavorable today, compared to 66/13% in February 2016). Voters are also positive, but not nearly as widely, about "environmental groups like Montana Conservation Voters" (41/33%) and the Montana AFL-CIO (41/33%). Voters are not as likely to have an opinion about trial lawyers and those with an opinion are only lukewarm, just as they were in February (27% favorable, 22% unfavorable, 51% don't know today).



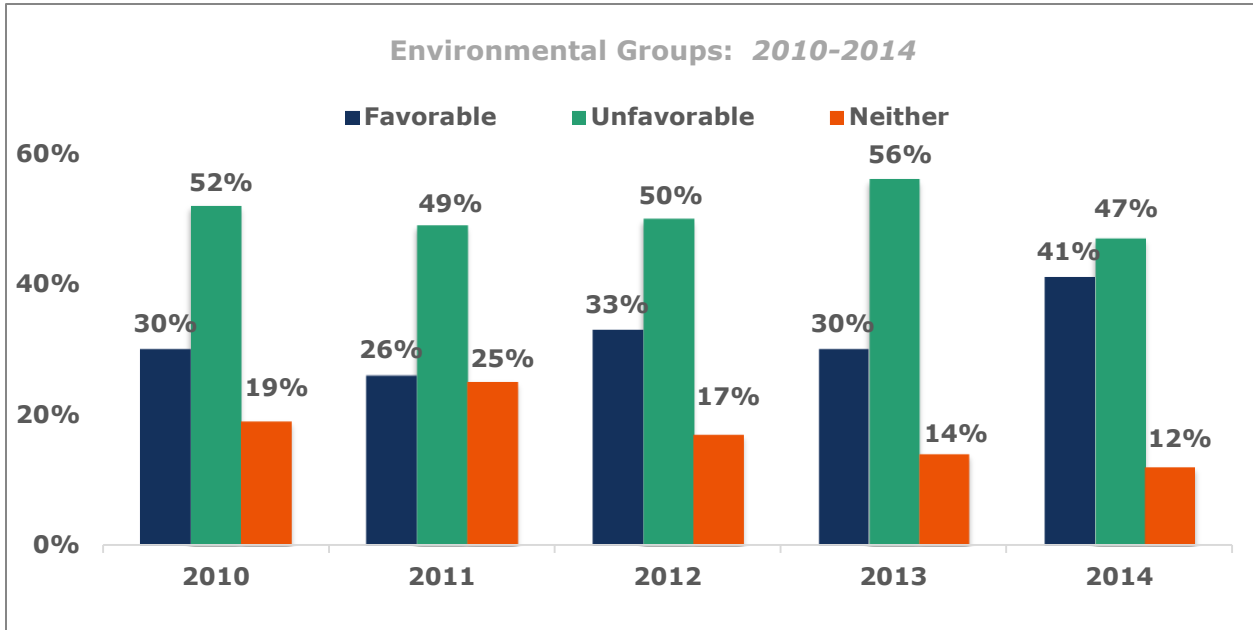
As the following chart shows, the Montana Chamber of Commerce has consistently enjoyed a positive image in surveys conducted in 2010-2014. In our 2016 surveys, we tested voter perceptions of “business organizations like the Montana Chamber of Commerce” so results are not directly comparable to past surveys, which specifically tested perceptions of the “Montana Chamber of Commerce.” However, it is worth noting that perceptions continue to be positive.

Looking at key subgroups, business organizations like the Montana Chamber enjoy a positive image throughout the state, among men and women of all ages. Republicans are among the most impressed (71% favorable/10% unfavorable), but sentiment is positive among majorities of Democrats (61/20%) and Independents (70/6%), as well.

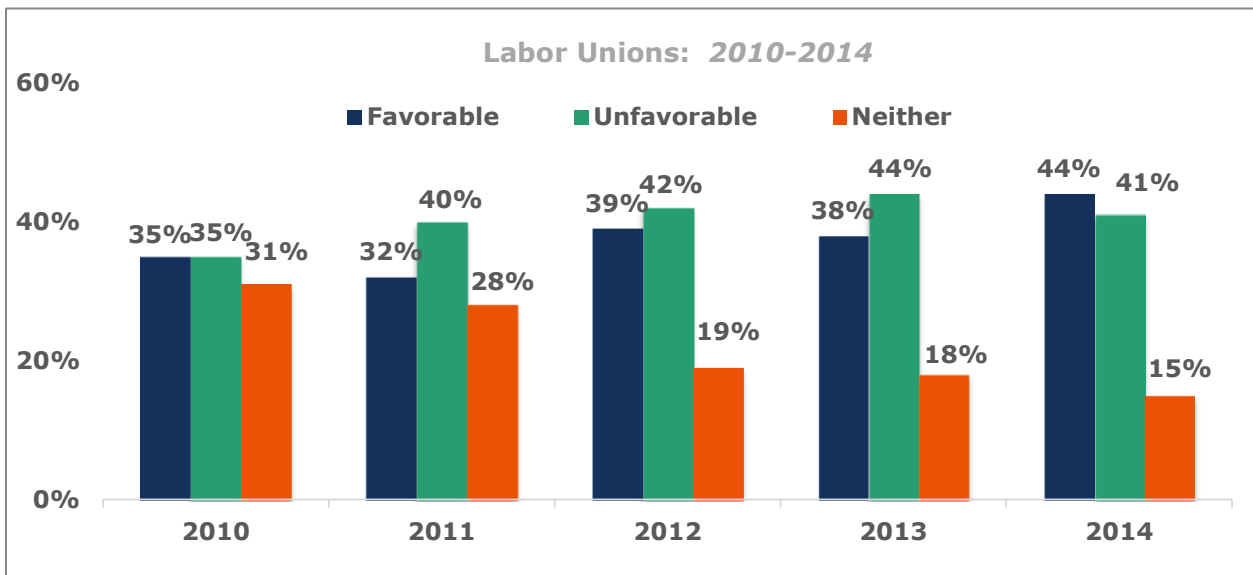


In our current survey, we tested voter reactions to “environmental groups like Montana Conservation Voters” and perceptions were positive and comparable to those in February 2016 (41% favorable/33% unfavorable today vs. 45% favorable/30% unfavorable in Feb. 2016). Prior to 2016, we asked voters their impressions of “environmental groups,” which has yielded negative perceptions, as shown in the table on the following page.

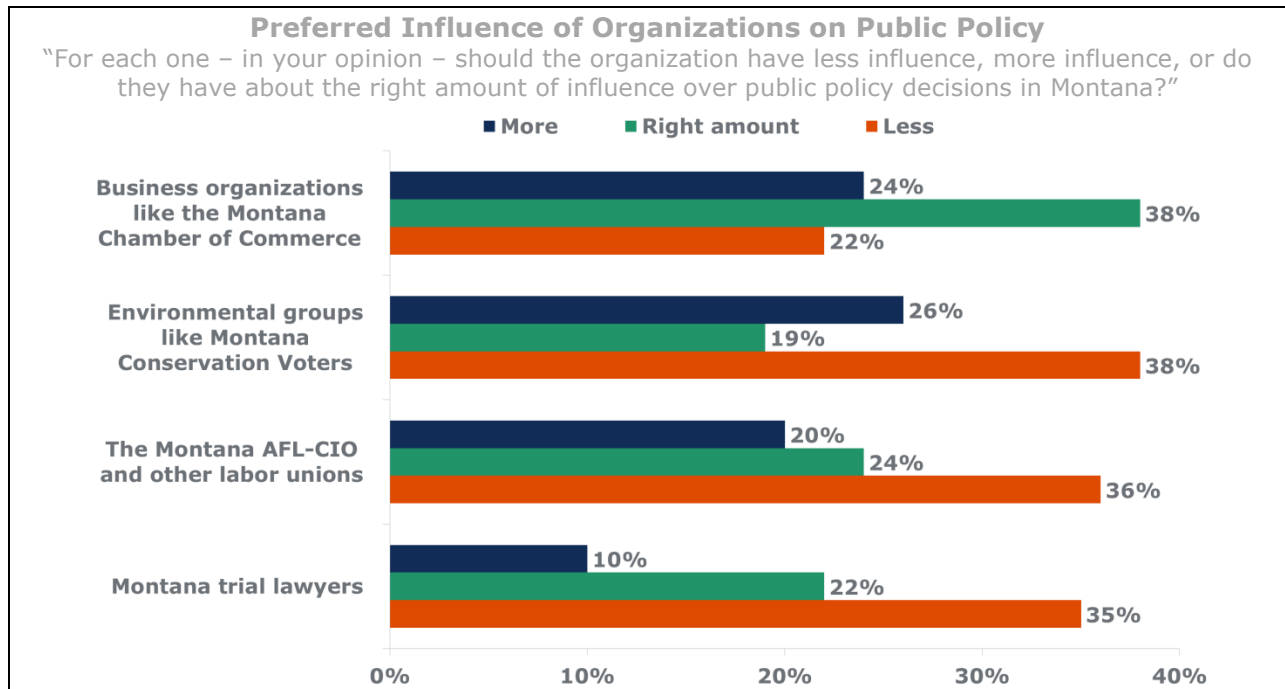
Key subgroup reactions today reveal the following groups have favorable impressions of environmental groups like Montana Conservation Voters: women, voters age 18-44, residents in Western Montana and Democrats. At the same time, men, Independents and voters age 45+ are more divided in their perceptions, while Republicans are negative.



Perceptions of “labor unions” were negative or divided in surveys conducted between 2010 and 2014. In 2016, we asked voters their perceptions of “labor unions like AFL-CIO,” and voters were narrowly positive in both February (39% favorable/32% unfavorable) and in our current survey (41% favorable/33% unfavorable). The most significant differences in sentiment in the current survey are by partisan vote behavior; majorities of Republicans are unimpressed with labor unions like the AFL-CIO, while wide majorities of Democrats are positive. Independents are much less likely to have an opinion, but those with an opinion are narrowly positive. Additionally, households with union members are widely favorable but non-union households are divided.

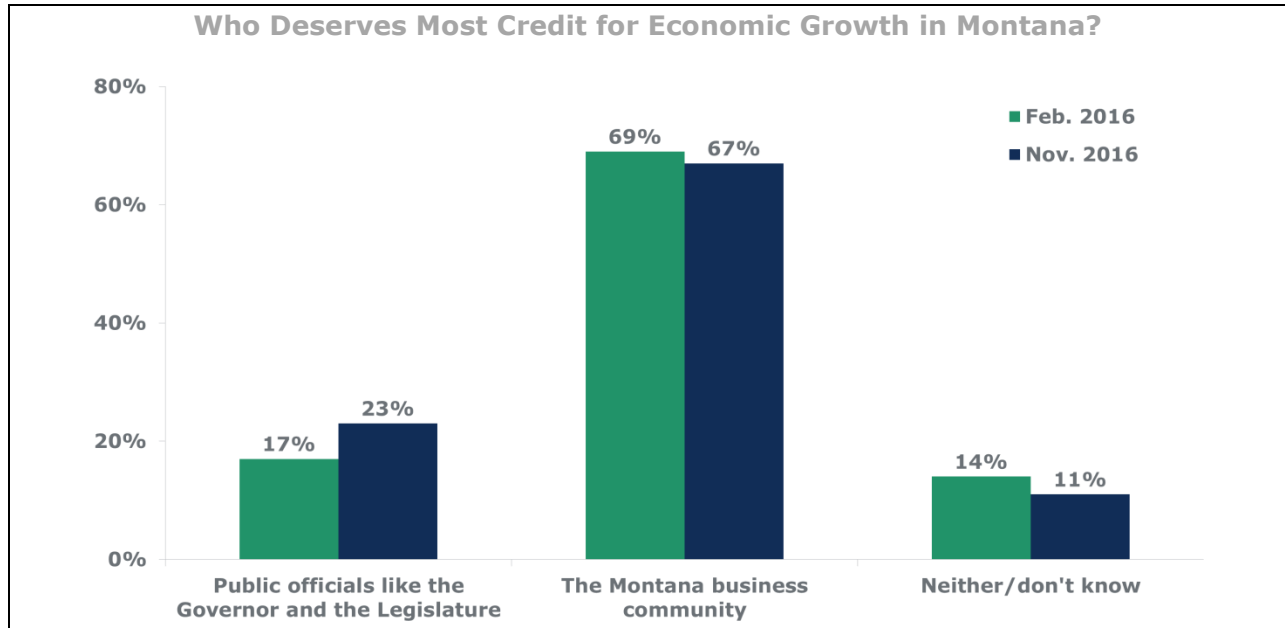


When it comes to public policy decisions in Montana, voters remain more satisfied with the level of influence business organizations like the Montana Chamber of Commerce have. Today, 38% say business groups like the Chamber have the “right amount” of influence, while 24% would like to see more influence and 22% would like to see less. This sentiment is statistically unchanged since the February survey. Further, as we found in February, Montana voters would like to see less influence from labor unions, environmental groups and the trial lawyers, as shown in the table below.



Economic Growth

There is widespread consensus among Montanans that the state's business community deserves the most credit for economic growth (67%), while 23% would attribute economic growth to public officials, like the Governor and State Legislature. The remaining voters say neither should get the credit or they have no opinion. Sentiment on this question was similar in February, as shown in the following table.



There is consensus agreement among most subgroups that the business community deserves the most credit for Montana's economic growth, particularly among Republicans (83%) and Independents (69%). However, Democrats are significantly less likely to give the business community credit (46%) and fully 40% of Democrats believe the Governor and State Legislature deserve the credit.

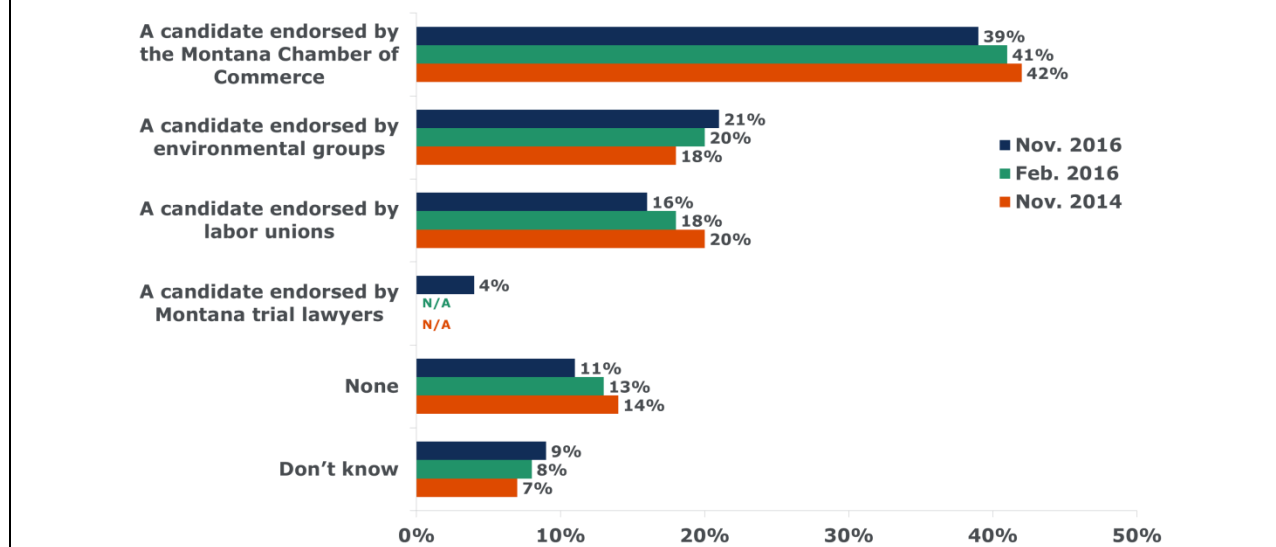
Candidate Preference

In the current survey we asked voters which one of four candidates they are more likely to vote for, a candidate endorsed by the Montana Chamber of Commerce is most popular (for 39%), followed by a candidate endorsed by environmental groups (21%), a candidate endorsed by labor unions (16%) and a candidate endorsed by the Montana trial lawyers (4%). Another 11% say none and 9% don't have an opinion on the matter.

In previous surveys, we did not give the option of "a candidate endorsed by Montana trial lawyers," so the results are not directly comparable. However, sentiment was similar when just three potential candidate endorsements were offered (as shown in the following table).

Impact of Candidate Endorsements: *Historic Trends*

"And which one of the following candidates are you most likely to vote for?"



Among Republicans, a Chamber endorsed candidate is widely preferred (by 61%). A Chamber endorsed candidate is also preferred by 34% of Independents over a labor union (17%) or environmental group candidate (15%), but many Independents (30%) had no opinion on this question. Democrats are most likely to vote for a candidate endorsed by environmental groups (41%), followed by labor unions (26%) and the Chamber (15%).

Not surprising, voters in union households are among the most likely to say they would vote for a candidate endorsed by labor unions, with 40% of union households saying they would vote for a labor union candidate.

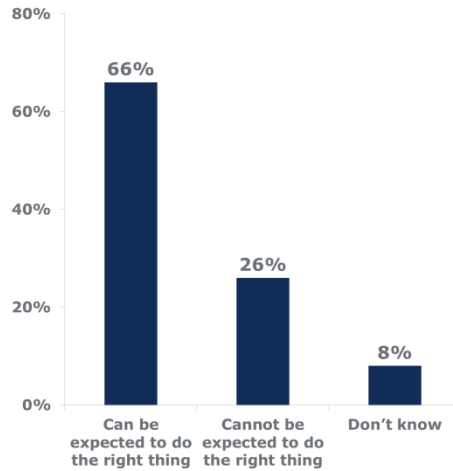
Perceptions of Montana Businesses

Today, 66% believe business and industry in Montana can be expected to do the right thing when it comes to "protecting the environment," while 26% disagree.

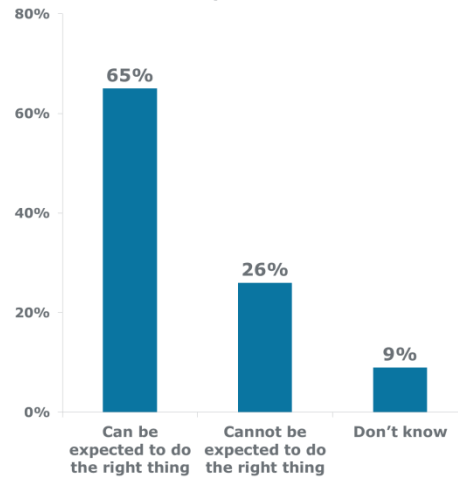
In addition, by a 65-26% margin, voters believe Montana businesses can be expected to do the right thing when it comes to "treating workers fairly when deciding on health care coverage, retirement and other workplace benefits."

Montana Businesses Can Be Trusted to Do Right Thing

"Thinking about business and industry in Montana, do you think Montana businesses can or cannot be expected to do the right thing **when it comes to protecting the environment?**"

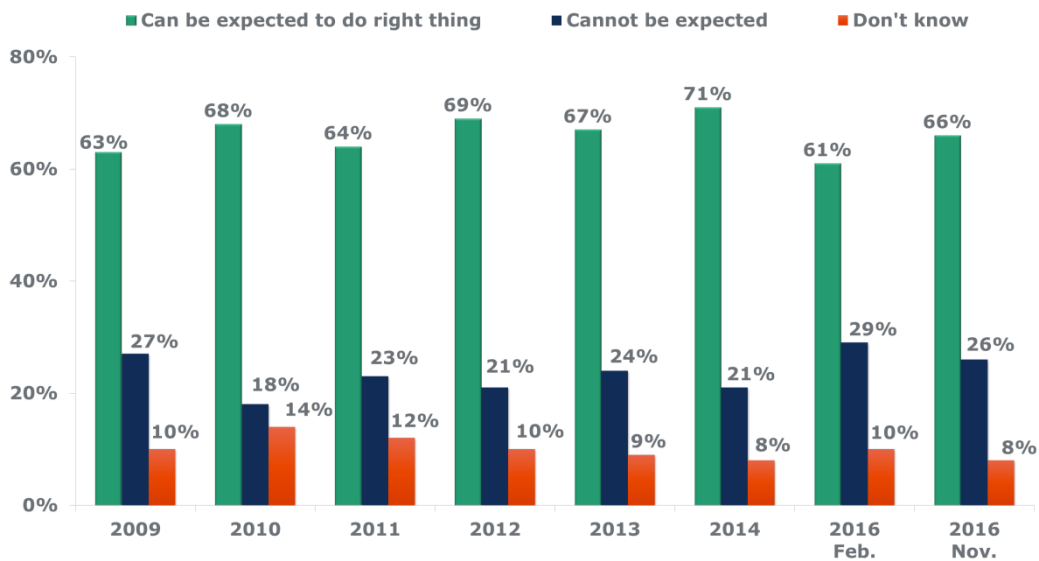


"Thinking about business and industry in Montana, do you think Montana businesses can or cannot be expected to do the right thing **when it comes to treating workers fairly when deciding on health care coverage, retirement and other workplace benefits?**"



Looking back at survey results since 2009, we find more than six-in-ten voters in each survey have said they believe Montana businesses can be trusted to do the right thing when it comes to protecting the environment. Our February survey was the low point (61% expect businesses to do the right thing) but current sentiment is more positive and more in line with what we have seen historically. For example, the average sentiment between 2009 and 2014 was 67% expected businesses to do the right thing and 22% said they cannot be expected. Current results at 66/26% are very similar.

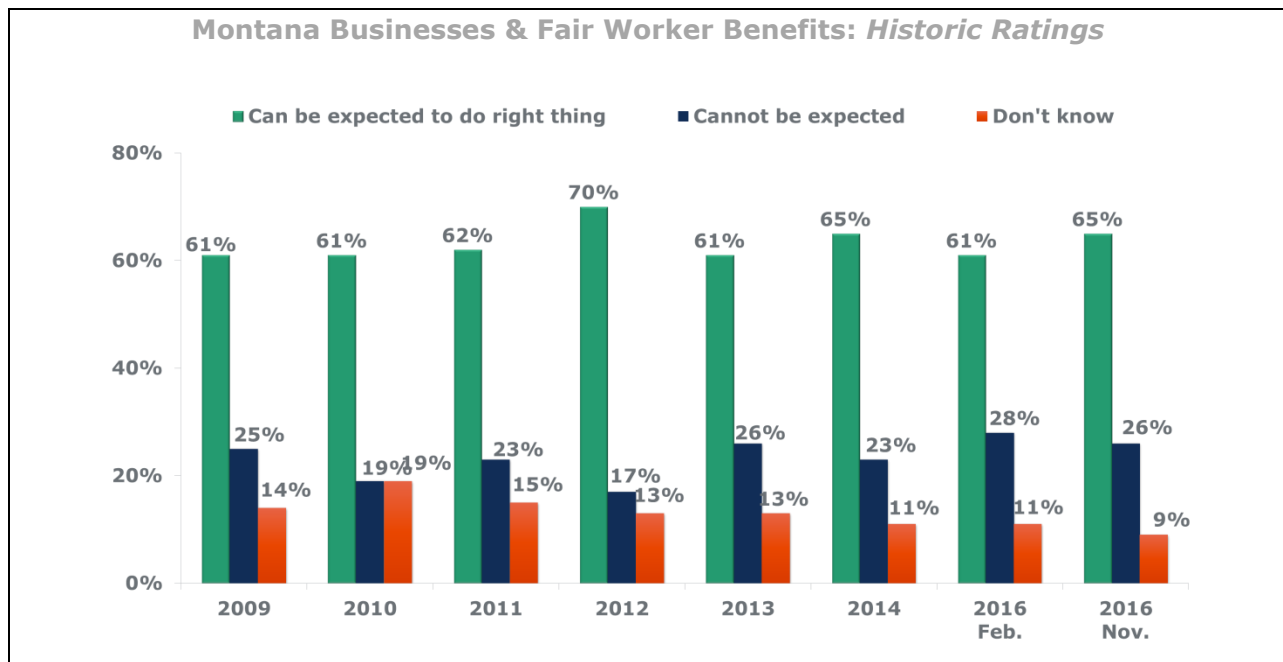
Montana Businesses & Protecting the Environment: *Historic Ratings*



Regarding treating workers fairly when deciding on health care coverage, retirement and other workplace benefits, in each survey since 2009 and including in the current survey, we

find more than six-in-ten voters believe Montana businesses can be expected to do the right thing in these instances.

Like the previous question about expectations for Montana businesses to do the right thing, our February survey was also the low point on this measurement (61% expected businesses to do the right thing for workers) but current sentiment is more positive and more in line with what we have seen historically. For example, the average sentiment between 2009 and 2014 was 63% expected businesses to do the right thing for fair workers and 22% said they cannot be expected. Current results at 65/26% are very similar.

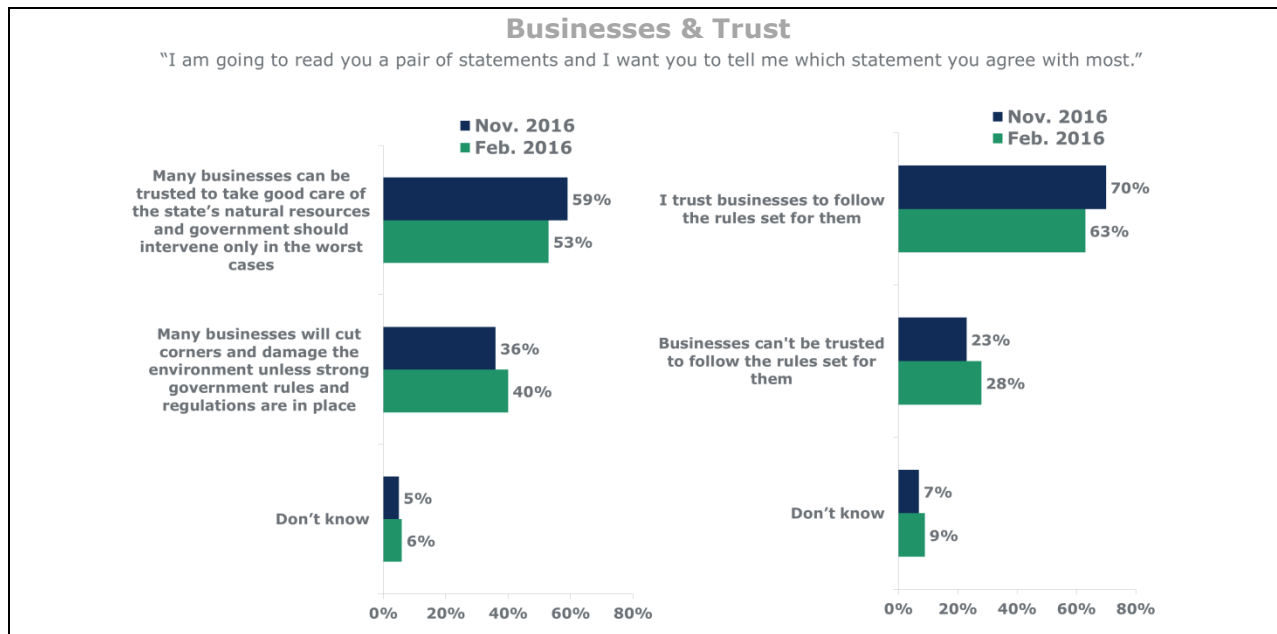


We also explored perceptions of businesses by asking which viewpoints voters agree with most regarding businesses and government. Nearly six-in-ten (59%) believe “businesses can be trusted to take good care of the state’s natural resources, and the government should intervene only in the worst cases,” while 36% say “many businesses will cut corners and damage the environment unless strong government rules and regulations are in place.” In February, 53% said business can be trusted and 40% said businesses will cut corners.

By party, Republicans widely agree businesses can be trusted to take good care of state’s natural resources, as do a majority of Independents, but Democrats widely disagree. In addition, voters age 18-44 and residents in Missoula and Butte/Helena TV Markets are much less likely to believe businesses can be trusted than older voters and residents in Great Falls and Billings markets.

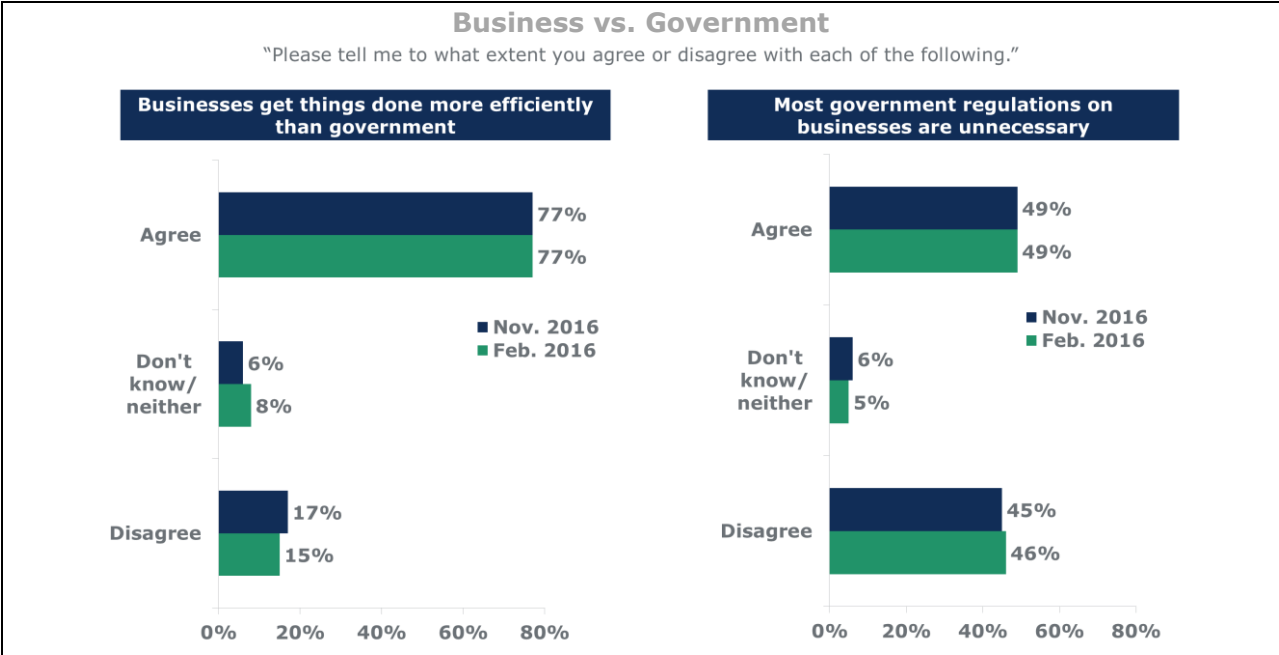
By a better than 2:1 margin, Montanans “trust businesses to follow the rules set for them.” Indeed, 70% have trust in businesses and only 23% say businesses can’t be trusted to follow rules and 7% have no opinion. The pro-business margin on this measurement has also improved since February (63-28%).

There is consensus agreement on this issue among most voter subgroups, however, Republicans and Independents are much more likely than Democrats to say they “trust businesses to follow the rules set for them.”



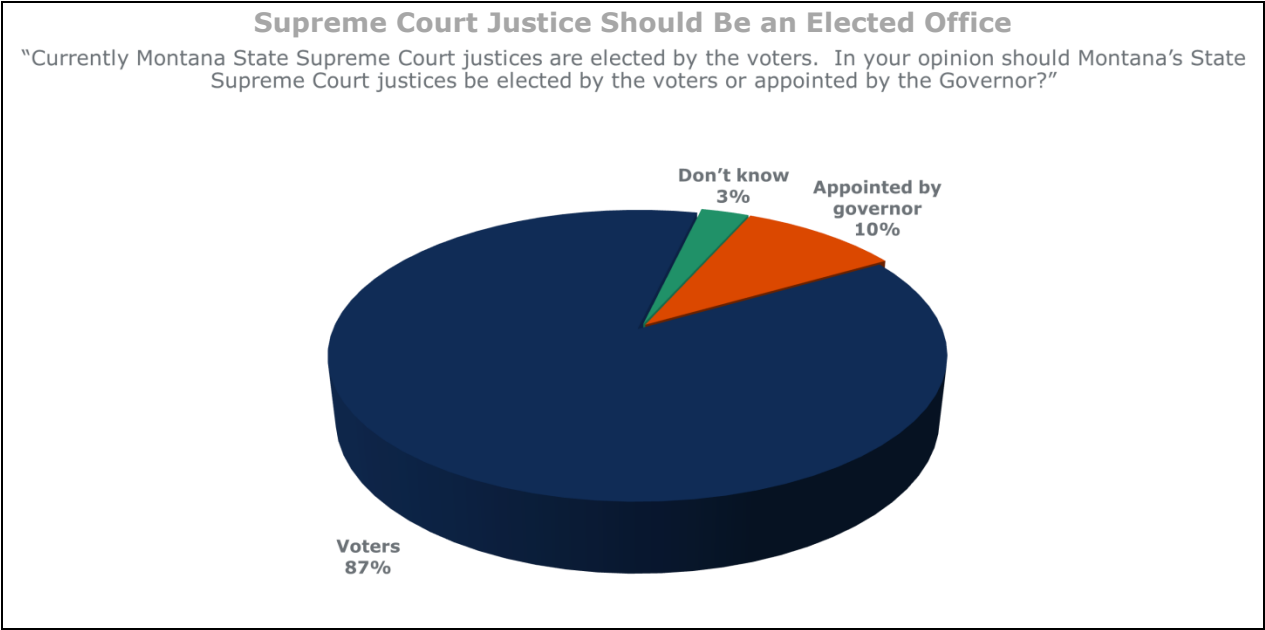
In another pair of statements, more than three-quarters (77%) of voters agree "businesses get things done more efficiently than government," compared to just 17% who disagree. There is consensus agreement among majorities in all subgroups. These results are similar to February.

At the same time, voters are divided on regulations; 49% agree "most government regulations on businesses are unnecessary," but another 45% disagree. The biggest differences on this issue are by partisan vote behavior, with majorities of Republicans agreeing most regulations are unnecessary and majorities of Democrats disagreeing. Independents are divided. Results on this question are similar to February.



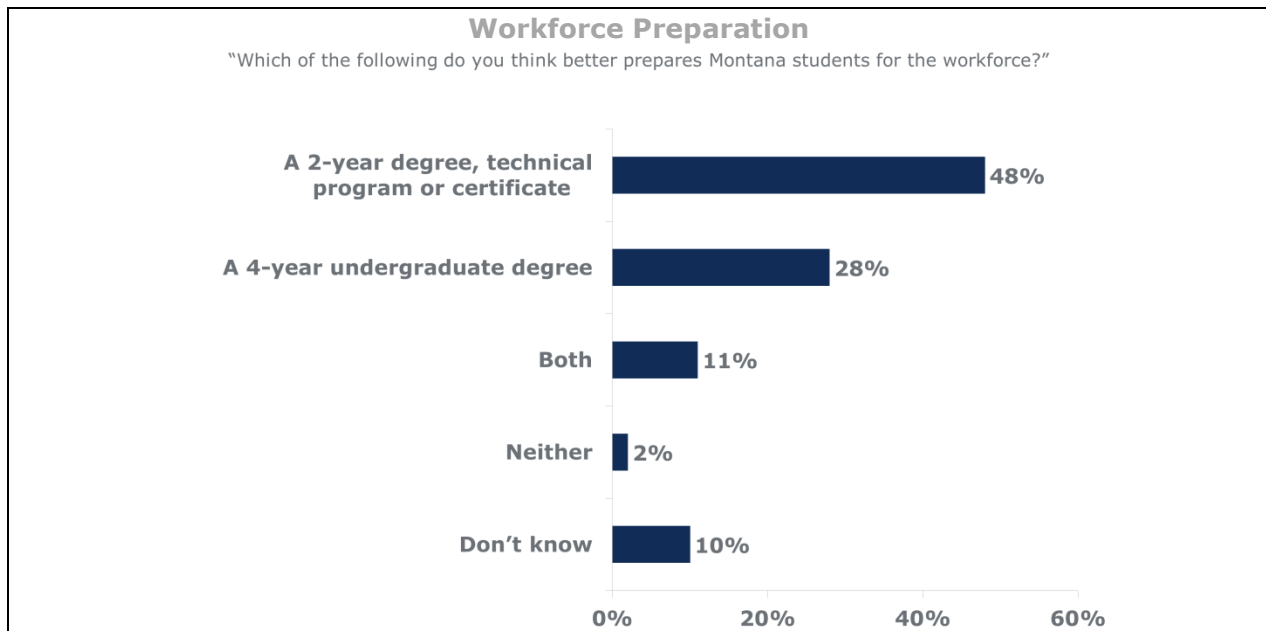
Supreme Court: Elected or Appointed?

By an overwhelming 87-10% margin, Montana voters believe Montana’s State Supreme Court Justices should be elected by voters rather than appointed by the Governor. This sentiment is widely held among Republicans, Democrats and Independents, alike.



Workforce Preparation

By a 48-28% margin, Montana voters believe a two-year degree, technical program or certificate better prepares students for the workforce than a four-year undergrad degree. Another 11% say both are equally beneficial, 2% say neither and 10% are undecided.

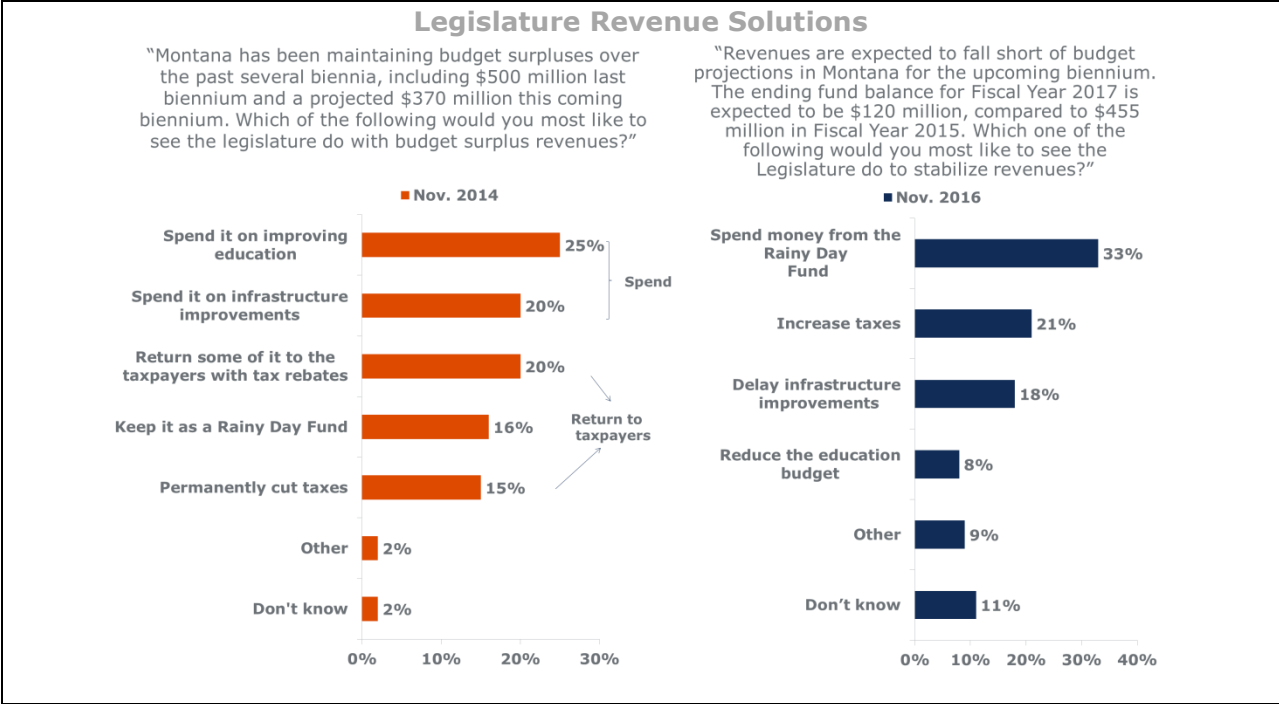


Looking at subgroups, the biggest difference in sentiment pertains to voters' own educational background. Voters with a four-year degree or less education are more likely to say a two-year degree provides best preparation for workforce – and it is worth noting that voters with some post-high school education but no four-year degree are among the most emphatic on this issue (among this group 58% say a two-year degree or technical program is most beneficial compared to 24% who say a four-year degree is). At the same time, voters with a postgraduate education (beyond college) are divided in their sentiment, and are among the least likely to say a two-year degree/technical program better prepares workers for the workforce.

Budget Shortfall

There is no consensus among Montana voters as to what step the Montana Legislature should take to stabilize state revenues. When informed that revenues are expected to fall \$335 million short of projections for the next biennium, the most popular solution is to dip into the state's Rainy Day Fund (33%), while 21% would increase taxes, 18% would delay infrastructure improvements and 8% would reduce the education budget. Spending from the Rainy Day Fund to offset revenue shortfalls is preferred by Republicans and Independents, but Democrats are equally supportive of using the Rainy Day Fund and increasing taxes.

In 2014 we asked a similar question about what voters would like to see done with Montana's budget surpluses. At that time, 45% said they would spend it and 35% would prefer it be used to provide tax relief. More specifically, 25% of voters would spend it on improving education, while others would give a tax rebate (20%), spend on infrastructure improvements (20%), keep it in a Rainy Day Fund (16%) or permanently cut taxes (15%).

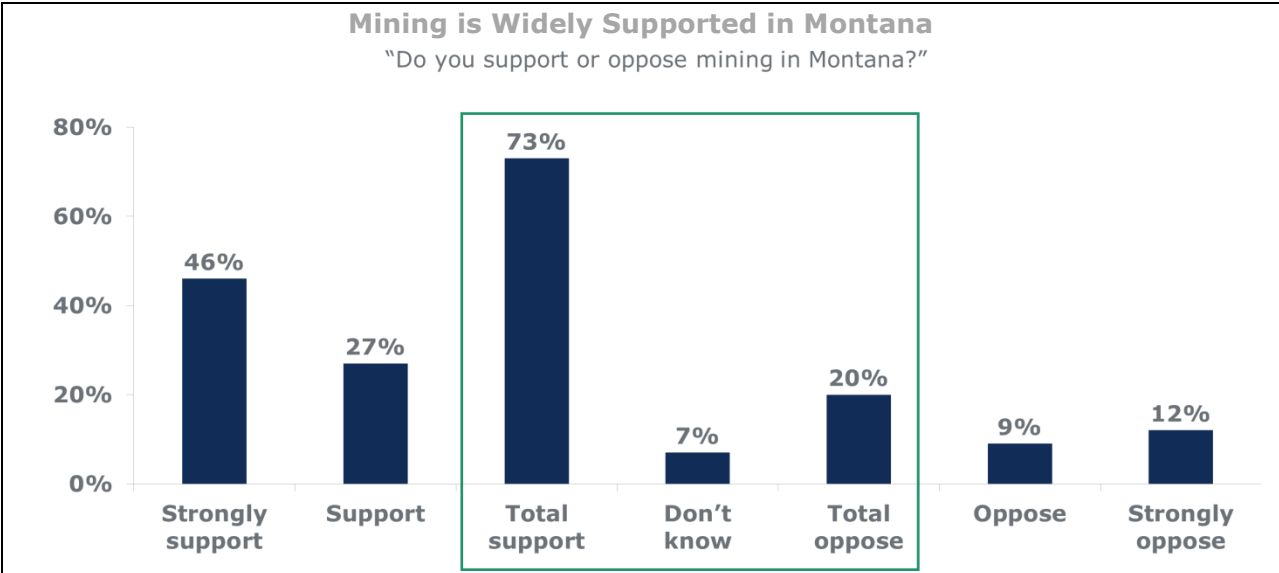


Looking at subgroups, Republicans and Independents prefer to spend money from the Rainy Day Fund, but Democrats are just as likely to prefer spending Rainy Day Fund money as they are to prefer tax increases.

Sponsorship Questions

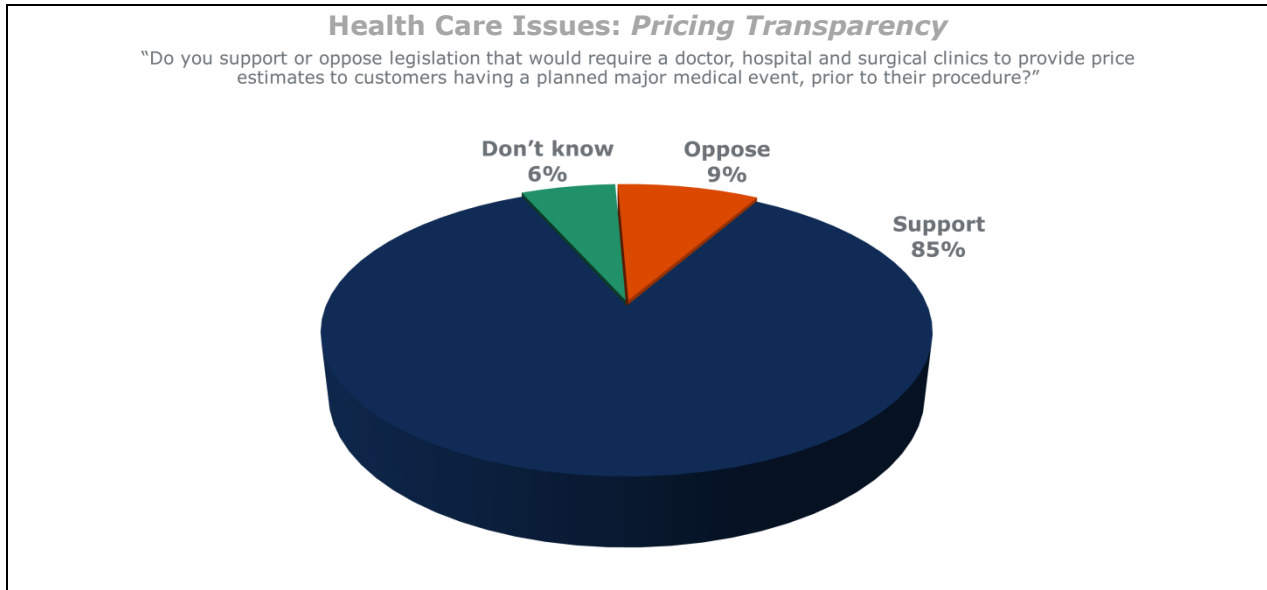
Mining

Seven in ten voters support mining in Montana (73% support, 20% oppose, 7% don't know). Mining finds support throughout the state, among both men and women and voters of all ages. Majorities of Republicans and Independents are supportive, along with a plurality of Democrats.



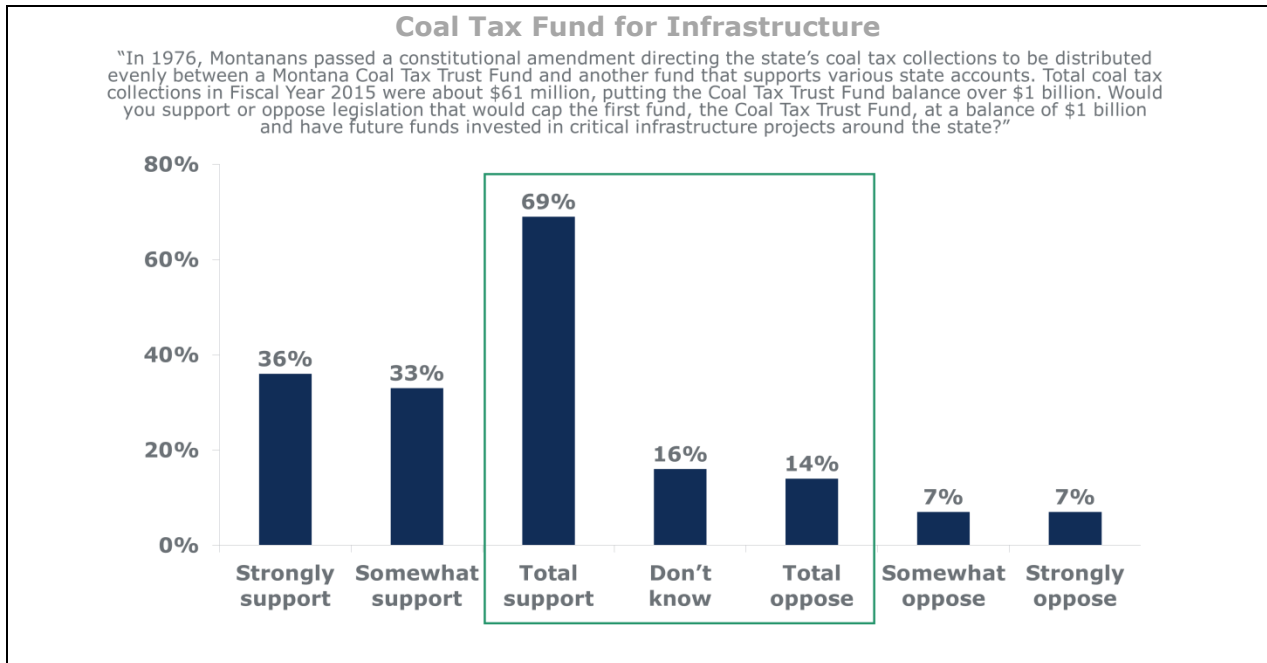
Health Care

More than eight-in-ten voters support legislation that would require doctors, hospitals and surgical clinics to provide price estimates to customers having a planned major medical event, prior to their procedure – 85% support, 9% oppose. Sentiment on this issue is strong, as fully 56% “strongly” support the idea.



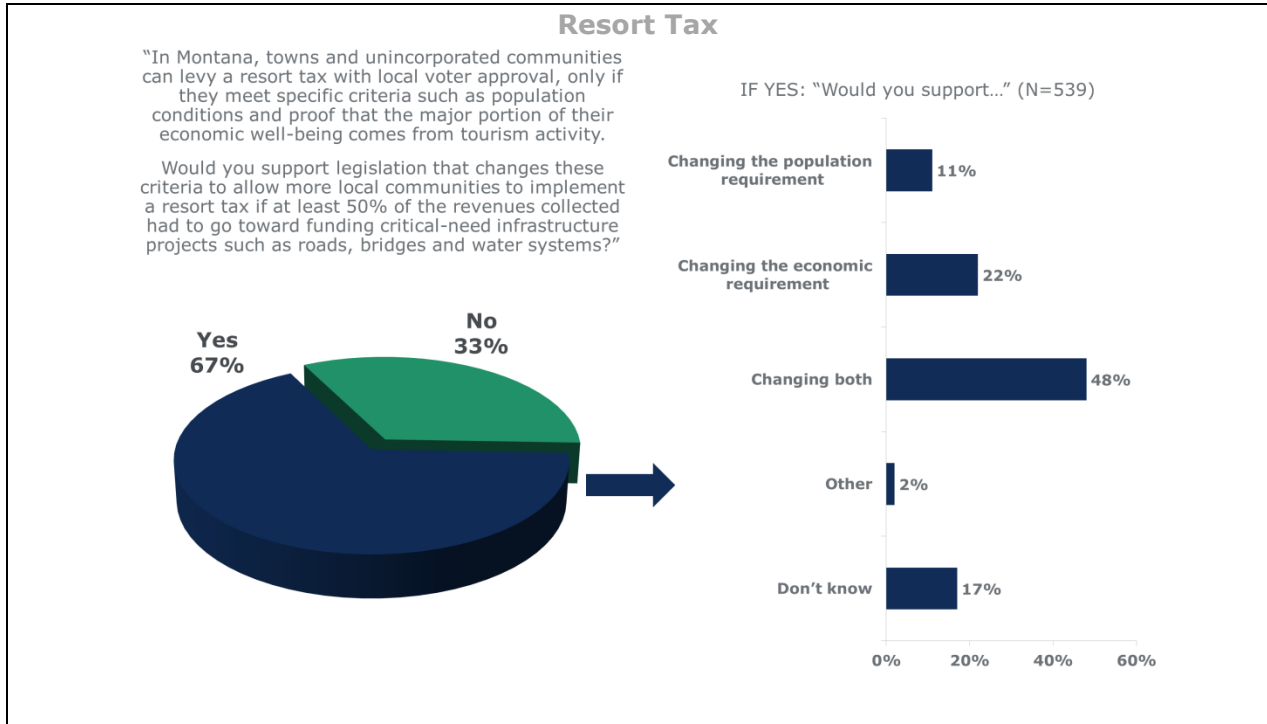
Coal Tax

By a 5:1 margin, Montana voters support legislation that would cap the Coal Tax Trust Fund at a balance of \$1 billion and have future funds invested in critical infrastructure projects around the state (69% support, 14% oppose). This proposal finds majority support throughout the state, among all voter subgroups, including Republicans, Democrats and Independents.



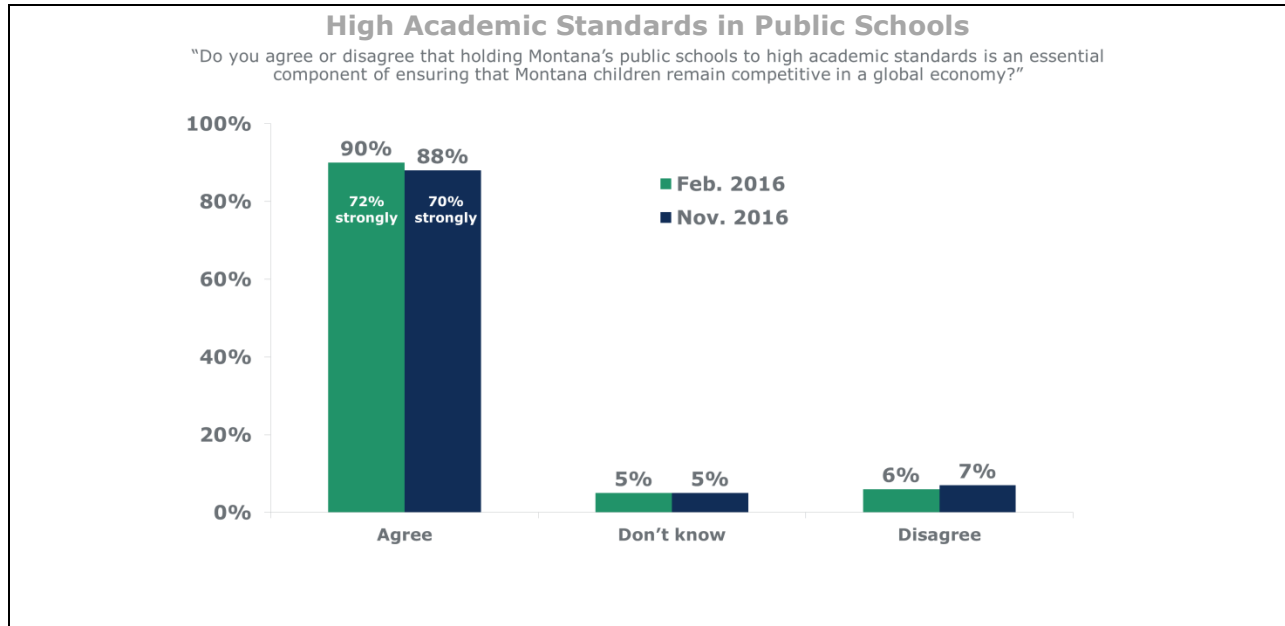
Resort Tax

Two-thirds of Montana voters (67%) say they would support legislation that would change the criteria of the resort tax to allow more local communities to implement a resort tax if at least 50% of the revenues collected would be allocated to funding critical-need infrastructure projects like roads, bridges and water systems. The remaining 33% would oppose this legislative proposal. Further, among supporters of the proposal, changing both the economic and population criteria is favored by 48% of voters, while 22% would change only the economic requirement and 11% would change only the population requirement.



High Academic Standards in Montana's Public High Schools

There is nearly universal agreement (among 88% of voters) that "holding Montana's public schools to high academic standards is an essential component of ensuring that Montana children remain competitive in a global economy." Just 7% disagree. There is consensus agreement among all subgroups throughout the state. Sentiment was similar in February 2016.



CONCLUSION

Our survey of 800 voters statewide in Montana in November 2016 reveals Montana's businesses and Chamber of Commerce continue to be well-regarded; voters are positive about business organizations like the Montana Chamber and continue to be more likely to vote for candidates endorsed by the Chamber over candidates endorsed by labor unions or environmental groups. Additionally, voters also trust Montana businesses to do the right thing in terms of protecting workers and the environment and are more likely to credit business over public officials for economic growth in the state.