

## Local Addendum to Outcomes Report *Silicon Valley, California*

### Silicon Valley Speaks: California Residents Join National Town Meeting

Over 80 people from the Silicon Valley area joined 3,500 others at 57 locations across the country in a national discussion on tough choices about our federal budget on June 26, 2010. National findings and other information about the daylong meeting can be found at [www.usabudgetdiscussion.org](http://www.usabudgetdiscussion.org).

This addendum provides additional insight about the views of local residents at the Silicon Valley site and should be read as a supplement to the national report.

### A Message to Washington

**Tone and Quality of Discussion:** Near the beginning of the day, participants were asked “How satisfied are you with the tone and quality of political discussion in our country today?” At the end of the day, participants were asked the same question about “the tone and quality of our discussions here today (at the Town Meeting)?”

- 94% of participants in Silicon Valley were dissatisfied or very dissatisfied with the tone and quality of political discussion in our country today, compared to 89% nationally.
- 90% of participants in Silicon Valley were satisfied or very satisfied with the tone and quality of the discussions at the Town Meeting, compared to 91% nationally.

**National Message:** When asked to send a message to national leaders at the end of the day, the message generated by tables that received the strongest support from participants was: “Please find the political will to use this input as if it were coming from a powerful lobbying group – because we are!” The message that received the second highest level of support was: “Abandon the failed politics of partisanship. You can’t demonize each other and expect us to trust you.”

### Economic Recovery

Early in the day, participants talked about the nation’s economic recovery and responded to polling questions about how they feel about the economy and what role they want government to play in strengthening the economy. In Silicon Valley, 29% of participants said it was getting better or somewhat better, 25% said it was about the same, and 45% said it was worse or somewhat worse.

Participants were asked about their level of support for recent legislation to extend unemployment benefits and provide aid to the states in the context of its impact on the deficit. The table to the right compares views expressed by Silicon Valley participants with those expressed at the 19 town meeting sites across the nation.

	<b>Silicon Valley</b>	<b>Nation</b>
Supportive	51%	32%
Somewhat Supportive	20%	19%
Neutral	10%	11%
Somewhat Unsupportive	7%	12%
Unsupportive	12%	26%

Silicon Valley residents tended to be much more supportive of government action to strengthen the economy compared to the nation. Nationally, 61% of participants said the government should do more

(80% in Silicon Valley), 14% said about the same (13% in Silicon Valley), and 25% said less (8% in Silicon Valley).

## Tough Choices about our Federal Budget

Participants engaged in a three-part activity in which they sought to reduce the deficit in 2025 by \$1.2 trillion by considering 42 spending and revenue options. After making initial choices, the tables discussed ways to align their choices with their values and how, if at all, they wanted to modify their choices to meet the target.

After working through all of the options and submitting table packages, participants used individual voting keypads to express their preferences for the spending and revenue options:

### Individual Voting on Spending Options

Health Care	Silicon Valley	Nation
Reduce spending by 5%	14%	27%
Reduce spending by 10%	14%	16%
Reduce spending by 15%	17%	19%
No change	55%	38%

Social Security**	Silicon Valley	Nation
Raise age for receiving full benefits to 69 years of age	33%	39%
Limit increases in starting benefits for all but the lowest wage earners	17%	24%
Change the formula for raising benefits each year to reflect a lower rate of inflation	13%	24%
Raise the 12.4% payroll tax gradually to 13.4% by 2025	11%	20%
Raise the 12.4% payroll tax gradually to 14.4% by 2025	29%	30%
Raise the limit on taxable earnings so it covers 90% of total earnings in America	71%	60%
Create personal savings accounts within the system	4%	17%
No change	11%	13%

All Other Non-Defense	Silicon Valley	Nation
Reduce overall spending in this category by 5%	24%	26%
Reduce overall spending in this category by 10%	14%	16%
Reduce overall spending in this category by 15%	19%	27%
No change	43%	32%

Defense	Silicon Valley	Nation
Reduce overall spending in this category by 5%	14%	16%
Reduce overall spending in this category by 10%	21%	18%
Reduce overall spending in this category by 15%	59%	51%
No change	6%	15%

\*\*Percentages on this starred question have been corrected due to a “double voting” error on multi-vote options that was caused by the voting system. See note at end of this report for more details.

**Individual Voting on Revenue Options**

<b>Raising Existing Taxes**</b>	<b>Silicon Valley</b>	<b>Nation</b>
Raise personal income tax rates by 10% for everyone	26%	14%
Raise personal income tax rates by 20% for everyone	4%	5%
Raise personal tax rates by 10% for everyone in the top two tax brackets	16%	14%
Raise personal tax rates by 20% for everyone in the top two tax brackets	62%	38%
Create an extra 5% tax for people earning more than \$1M per year	69%	54%
Raise the tax rate on capital gains and dividends	53%	37%
Raise the top corporate income tax rate to 40% from 35%	57%	44%
No change	6%	27%

<b>Reform the Tax Code</b>	<b>Silicon Valley</b>	<b>Nation</b>
Reform the tax code and use 90% to lower tax rates and 10% to reduce deficit	4%	5%
Reform the tax code and use 80% to lower tax rates and 20% to reduce the deficit	10%	9%
Reform the tax code and use 70% to lower tax rates and 30% to reduce the deficit	10%	36%
No change	75%	50%

<b>Create New Taxes**</b>	<b>Silicon Valley</b>	<b>Nation</b>
Establish a 5% Value-Added Tax (VAT)	42%	24%
Establish a carbon tax	71%	54%
Establish a securities transaction tax	70%	50%
No change	14%	25%

<b>Reduce Deductions &amp; Credits**</b>	<b>Silicon Valley</b>	<b>Nation</b>
Limit the value of itemized deductions to 28%	44%	38%
Convert the mortgage interest deduction into a credit	56%	34%
Limit the deduction for state and local taxes, real estate, and personal property	19%	22%
Limit corporate deductions for equipment	33%	40%
End the business deduction for domestic production	13%	12%
No change	14%	32%

\*\*Percentages on these starred questions have been corrected due to a “double voting” error on multi-vote options that was caused by the voting system. See note at end of this report for more details.

Note: Participants were instructed that they could not select options to raise tax rates or reduce deductions and credits if they wanted to reform the tax code, or vice versa. About 200-250 fewer people voted national during the raise tax rates and reduce deductions sections. About 500 fewer people voted national during the reform the tax code section.



## Notes about the Data and Analysis

**Representativeness:** Participants were not recruited through a randomized sample and went through a day-long deliberation. As such, their preferences should not be characterized as representing the views of the general public. Rather, the National Town Meeting results reflect the views of a diverse group of Americans who spent a day weighing trade-offs about the nation's fiscal challenges.

**Correction:** A technical error was found in the keypad voting results that was caused by a problem with a flaw in Turning Point Technology's voting software. For the five voting questions that enabled participants to select more than one option at a time, the percentages that were reported in the preliminary results reflected some "double voting" (e.g. multiple votes were sometimes recorded when an individual pressed a button more than once.) By going through the individual votes of each keypad, Turning Point Technologies has been able to correct this error on the five questions in which it occurred by eliminating duplicate votes. The corrected data does not reflect a significant shift in overall priorities – the relative order of top preferences has essentially remained the same.

**Data in this Report:** Data in this report only includes information from the 19 town meeting sites. Data from Community Conversation participants is being reported separately because these sites did not reflect the same level of diversity as participants at the 19 town meeting site and many Conversations used an abbreviated program agenda.