



Opinion Poll

Small Business Owners Say Infrastructure Investments Important to their Business, Favor Robust Federal Support

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Executive Summary

The current administration pledged to make infrastructure spending a key priority soon after the election. President Trump has proposed government spending of \$200 billion over 10 years supplemented by another \$1.5 trillion in infrastructure spending from local and state governments and private investment. Other proposals put forward seek higher levels of federal government spending, including a proposal from congressional Democrats to spend \$1 trillion over a 10-year period. While Congress has yet to move on either of these proposals, new scientific opinion polling shows small business owners are broadly supportive of efforts to invest in our nation's infrastructure, particularly in rural areas, and feel the federal government should play a lead in funding these efforts.

The poll, conducted by Chesapeake Beach Consulting for Small Business Majority, revealed small business owners feel that investing in infrastructure is important to their business, and they believe the federal government should play a significant role in funding those investments. The poll was an online survey of 500 small business owners nationwide.

Specifically, the poll found a plurality of 44% of small business owners favor a proposal for \$1 trillion in public spending over 10 years, compared to 39% who support the proposal to spend \$200 billion over 10 years. More than 1 in 4 (26%) respondents strongly support the proposal for \$1 trillion in public spending. Similarly, a majority of 51% agree that the responsibility for funding infrastructure projects should fall to the federal government, rather than state and local governments. Fifty-four percent also feel that we should avoid the privatization of our infrastructure.

Importantly, a majority of small business owners (55%) agree that robust investment in our nation's infrastructure is crucial to the success of their business. Seven in 10 small business owners feel it's important for Congress to fund high-speed broadband infrastructure projects, and an additional 73% agree that any national infrastructure spending should include substantial investment to expand broadband access in rural areas.

Small business owners feel strongly that a wide variety of projects should be funded by any infrastructure bill passed by Congress, including schools, hospitals, energy infrastructure, rails systems and ports and waterways. There was particularly high support for funding highways, roads and bridges, with an overwhelming majority of 96% of small business owners saying Congress should fund such projects.

Investment in our nation's infrastructure is an investment in America, creating tremendous opportunities for small businesses. Robust investments in our infrastructure, especially in rural communities, bolster small businesses by expanding access to customers and suppliers, enhancing business operations and creating demand for the goods and services small businesses have to sell. As this poll reveals, small business owners feel that infrastructure projects are important to their business and would like to see a variety of large-scale projects funded, especially highways, roads, bridges and high-speed broadband, and they think the responsibility of funding these projects should fall on the federal government rather than state or local governments.

It's important to note that while respondents are politically diverse, some responses did indicate sentiment was split along party lines regarding particular issues. Forty-five percent of respondents identify as Republican or Republican-leaning independents, 39% are Democrat or Democrat-leaning independents and 15% are pure independent.

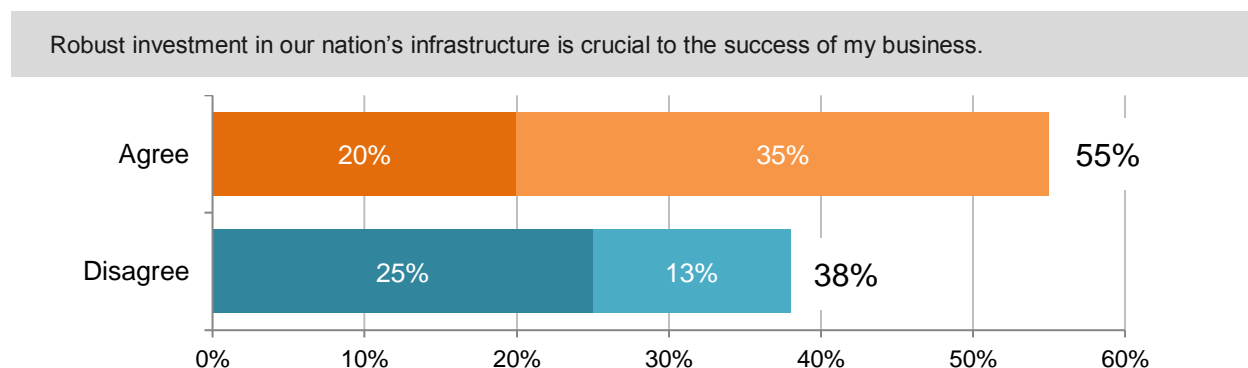
Main Findings

- **Robust investment in our nation's infrastructure critical to small business success:** Fifty-five percent of small business owners agree that robust investment in our nation's infrastructure is crucial to the success of their business.
- **Small business owners support public infrastructure spending proposals:** A plurality of 44% of small business owners support a proposal to allocate \$1 trillion in public spending over 10 years on infrastructure projects, compared to 39% who favor the White House's proposal to allocate \$200 billion over 10 years, with the aim of attracting an additional \$1.5 trillion in infrastructure spending from local and state governments and private investors. More than 1 in 4 (26%) strongly support the \$1 trillion public spending proposal.
- **Small business owners agree the responsibility for funding infrastructure should fall to the federal government:** A 51% majority of small business owners agree with the statement that the responsibility for funding infrastructure projects should fall to the federal government, not state and local governments, compared to 40% who disagree with this statement. An additional 54% agree that we should avoid the privatization of our infrastructure.
- **Small business owners support investment in broadband access, particularly in rural areas:** 7 in 10 small business owners want Congress to fund high-speed broadband projects, and 73% agree any national infrastructure spending proposal should include substantial investment to expand broadband access in rural areas.
- **Small business owners overwhelming support infrastructure spending for physical infrastructure projects:** Small business owners feel strongly that a wide variety of projects should be funded by any infrastructure bill passed by Congress, including schools, hospitals, energy infrastructure, rail systems and waterways. A vast 96% of small business owners feel Congress should fund highways, roads and bridges.
- **Small business owners are politically diverse:** 45% of respondents identify as Republican or Republican-leaning independents, 39% are Democrat or Democrat-leaning independents and 15% are pure independent.

Infrastructure Spending Critical to Small Business Success

Investment in our nation’s infrastructure is often touted as having the potential to create tremendous opportunity for small businesses, by increasing access to customers and suppliers, enhancing business operations and creating demand for the goods and services small businesses sell. The poll found that small business owners do feel such investment would be beneficial to their business. A strong majority of 55% of small business owners agree robust investment in our nation’s infrastructure is crucial to the success of their business, and this sentiment crosses party lines. One in five strongly agree with this statement.

Figure 1: Small business view infrastructure spending as crucial to their success



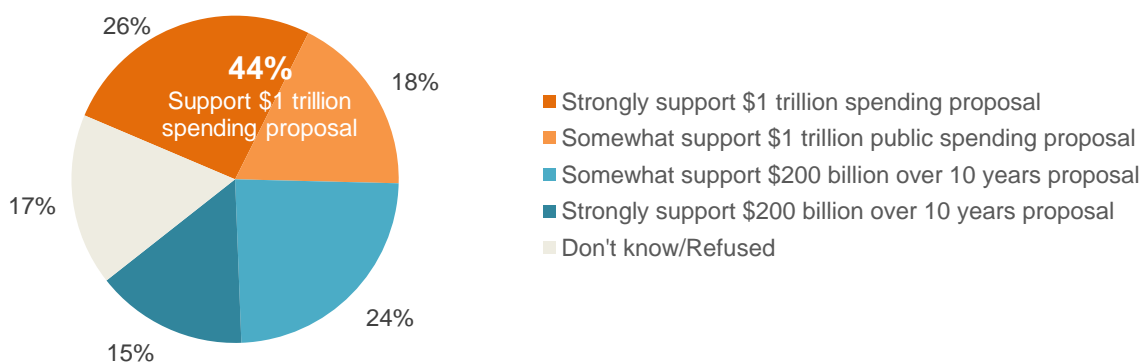
Small Business Owners Support Robust Investments in Infrastructure

Two main proposals have been put forward to Congress to fund a massive revitalization of our nation’s infrastructure. One, proposed by President Trump, would allocate \$200 billion over the next 10 years, with the aim of attracting \$1.5 trillion in infrastructure spending from local and state governments and private investors. Another proposal, offered by congressional Democrats, would invest \$1 trillion in government spending over 10 years.

When small business owners are presented with these two proposals without information of who proposed the idea, a plurality support the proposal to spend \$1 trillion over 10 years. More than 2 in 5 (44%) support the \$1 trillion spending proposal, compared to 39% percent who support the \$200 billion spending proposal. More than 1 in 4 (26%) strongly support the \$1 trillion spending proposal, while just 15% strongly support the \$200 billion spending proposal.

Figure 2: Small business support public infrastructure spending

Which of two proposals being considered by Congress do you favor more? Allocate \$1 trillion in public spending over 10 years on infrastructure projects. OR Allocate \$200 billion over 10 years, with the aim of attracting \$1.5 trillion in infrastructure spending from local and state governments and private investors.



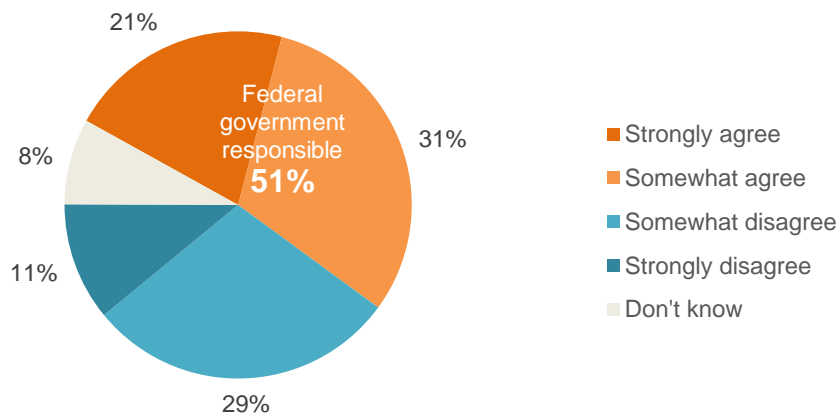
However, when these plans are identified by their political party sponsor, support splits along party lines. Nearly half of respondents (49%) support the Trump Administration’s proposal, while 36% support the Democrats’ proposal. Unsurprisingly, Republicans favor the Trump proposal by a 4 to 1 margin, while Democrats favor the Democratic plan by a 2 to 1 margin. When asked about support for these proposals without their party sponsor attached to each plan, support was less split along party lines. Republicans and independents slightly favor the \$200 billion spending proposal (53% of Republican respondents), compared to the \$1 trillion plan, while Democrats favor the \$1 trillion proposal by a 2 to 1 margin.

Small Business Owners Feel Federal Government Responsible for Infrastructure Funding

In general, small business owners feel the onus for funding infrastructure projects should fall on the federal government. A 51% majority agree the responsibility for funding infrastructure projects should fall to the federal government, rather than state and local governments, compared to 40% who disagree. Twenty-one percent strongly agree, while just 11% strongly disagree.

Figure 3: Small business feel federal government responsible for infrastructure spending

Do you agree or disagree with the following statement? The responsibility for funding infrastructure projects should fall to the federal government, not state and local governments.



An ever-larger majority of 54% agree that we should avoid the privatization of our infrastructure, while just 34% disagree. Three in 10 small business owners strongly agree with this statement. Small business owners felt mixed about the role of private infrastructure investment. Forty-five percent agreed providing incentives for private infrastructure investment will be sufficient to meet our country’s infrastructure needs, but an almost equal percentage of 42% disagreed with this statement. What’s more, 1 in 5 small business owners strongly disagreed with this statement, while just 8% strongly agreed.

Small Business Owners Support Infrastructure Spending in Wide Variety of Sectors

Small business owners were asked how important it is for Congress to include funding for a variety of sectors in any infrastructure spending package. Respondents felt a wide range of sectors were important to include. More than 4 in 5 small business owners (83%) think it’s important to include funding for schools, with a majority of 57% feeling school funding was very important. Four in five respondents felt hospitals were important to include, and similar percentages supported investment in rails systems and ports and waterways (79% and 82%, respectively).

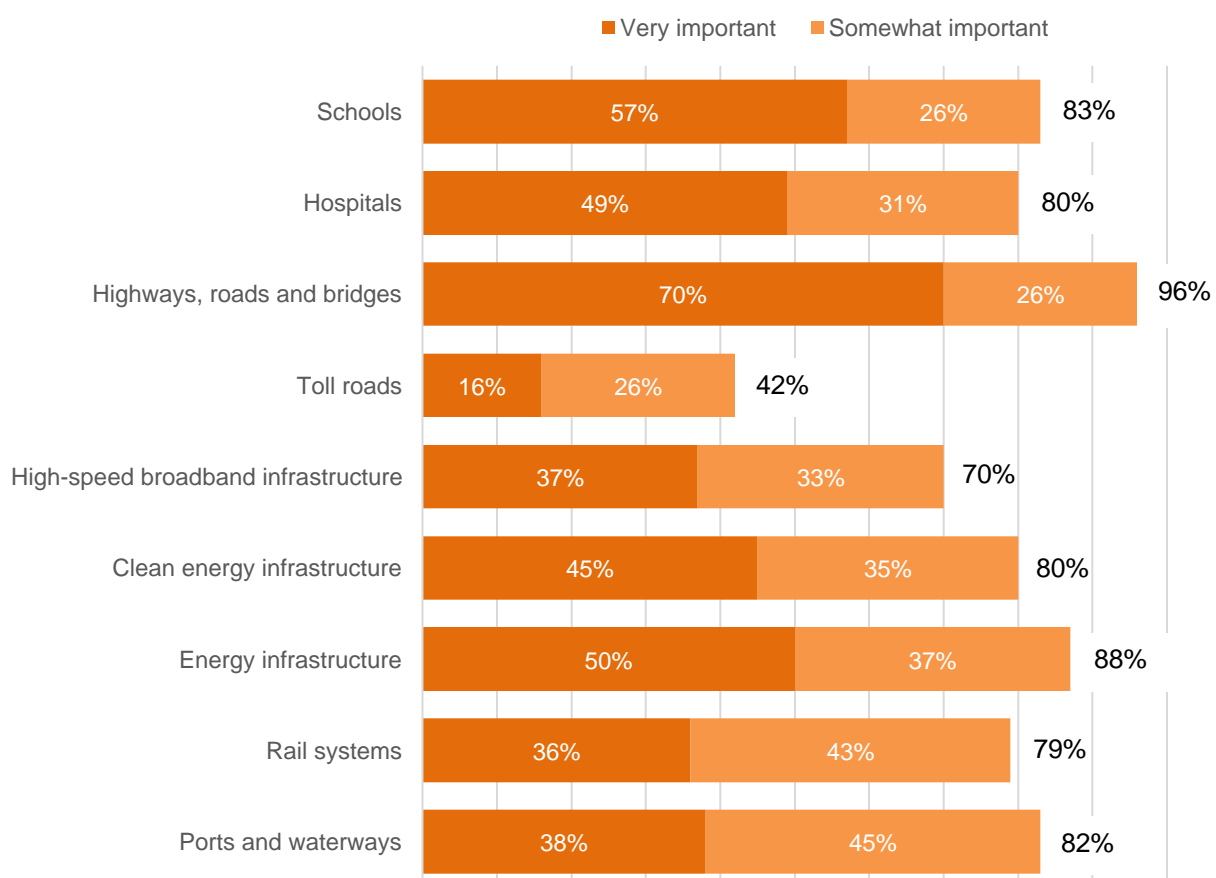
Small business respondents were supportive of investment in energy infrastructure, with almost 9 in 10 (88%) saying such investment was important. Half of respondents were asked specifically about investment in clean energy infrastructure and support remained high, with 4 in 5 saying such investment was important. There were some partisan differences in which sectors should receive investment. While most Republicans were supportive of a broad infrastructure plan, more Republicans than Democrats thought investment in schools, hospitals, broadband and energy were not as important.

However, support for investment in highways, roads and bridges was overwhelmingly high, with almost all respondents (96%) saying it was important for Congress to include funding for these projects in any bill. Seven in 10 felt this investment was very important, while just 3% felt it wasn't important. While support was incredibly high for investment in roads and highways, investment in toll roads was the only sector that small business owners do not view as important for including in a spending package. Fifty-three percent do not think including toll road funding is important, while 42% think including it is important.

Small business owners are also interested in congressional funding for high-speed broadband investment. Seven in 10 respondents think such funding is important, with almost 4 in 10 saying it was very important.

Figure 4: Small business support infrastructure spending in wide variety of sectors

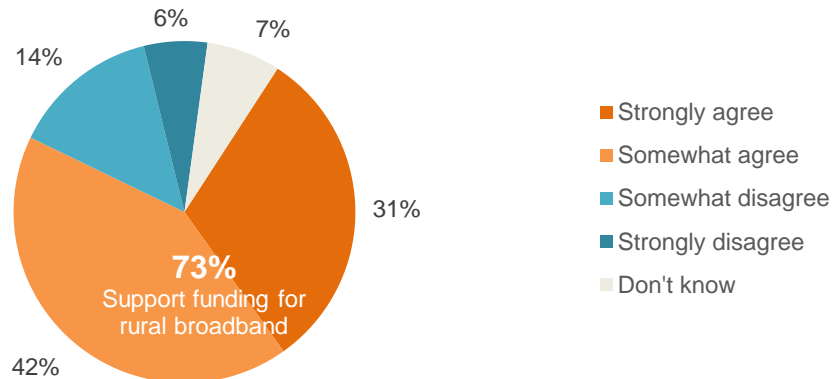
For each of the following, would you say it is very important, somewhat important, not too important or not important at all that funding for that type of project be included in any infrastructure bill Congress approves?



Support was even higher for broadband investment in rural areas. Indeed, nearly 3 in 4 small business owners (73%) agree that any national infrastructure spending proposal should include substantial investment to expand broadband access in rural areas. Just 19% of small business owners disagree, less than the 31% who strongly agree.

Figure 5: Small business support high for public funding of rural high-speed broadband

Do you agree with the following statement? Any national infrastructure spending proposal should include substantial investment to expand broadband access in rural areas?



Small business owners were also asked about another proposal for an infrastructure bank. Specifically, there is a proposal for the federal government to invest seed funding to capitalize an infrastructure bank, which could be used to leverage its funds for everything from roads to water to broadband projects. The bank would be accessible to states, localities and regional groups, and would be able to loan them money with favorable terms, as well as offer bond insurance. Almost two-thirds of respondents (63%) support investment in an infrastructure bank, while 20% are opposed to investment in an infrastructure bank.

Conclusion

Small business owners have strong attitudes on existing proposals to invest in our nation's infrastructure. They would like to see a variety of sectors included in any congressional spending package, especially highways, roads and bridges and high-speed broadband for rural communities, and they support robust federal investments in these projects. This strong support for infrastructure investments makes sense in light of the fact that small business owners view infrastructure spending as important to the success of their business. Congress should consider small business attitudes on these issues as they craft future legislation to fund projects modernizing our nation's infrastructure.

Methodology

This poll reflects an Internet survey of 500 small business owners nationwide with 1-100 employees. The poll was conducted by Chesapeake Beach Consulting for Small Business Majority between March 5-11, 2018. The margin of error is +/-4.4%.

Toplines

500 Small Business Owners Nationwide (Online)
1-100 Employees
March 2018

1. Please indicate your gender
 - Male.....60%
 - Female.....40%

2. What state is your business in?
 - West22%
 - Midwest.....25%
 - South.....38%
 - Northeast.....16%

3. Do you own your own for-profit business?
 - Yes100%

4. How many people do you employ including yourself? (*Cap at 25% self-employed*)
 - One.....25%
 - 2 to 956%
 - 10 to 199%
 - 20 to 496%
 - 50 to 1004%

5. How long have you been in business?
 - Less than one year2%
 - One to three years11%
 - Four to six years13%
 - Seven to 10 years14%
 - More than 10 years.....60%
 - Don't know0%
 - Refused.....0%

6. Right now, which ONE of the following is the biggest problem facing your business?
 - Weak or uneven customer demand.....20%
 - The cost of health coverage and other benefits18%
 - Competition from larger companies15%
 - The rate of taxation14%
 - The quality and skill of available workers8%
 - The availability of credit or capital to invest in your business8%
 - The level of state and local government regulation.....6%
 - The level of federal government regulation5%
 - Don't know5%
 - Refused.....1%

7. There are two proposals for infrastructure spending that are being considered by Congress this year. Democrats have proposed \$1 trillion in government spending over 10 years on infrastructure projects. The Trump Administration has proposed government spending of \$200 billion over 10 years, with the aim of attracting \$1.5 trillion in infrastructure spending from local and state governments and private investment. Which proposal do you favor more? (N=251)

I strongly the Democrats' proposal	20%
I somewhat support the Democrats' proposal	16%
I somewhat support the Trump Administration's proposal	22%
I strongly support the Trump Administration's proposal	27%
Don't know	14%
Refused.....	<1%
DEMOCRATIC PROPOSAL	36%
TRUMP PROPOSAL	49%

8. There are two proposals for infrastructure spending that are being considered by Congress this year. One proposal would allocate \$1 trillion in public spending over 10 years on infrastructure projects. A competing proposal would allocate \$200 billion over 10 years, with the aim of attracting \$1.5 trillion in infrastructure spending from local and state governments and private investors. Which proposal do you favor more? (N=249)

I strongly support the \$1 trillion public spending proposal	26%
I somewhat support the \$1 trillion public spending proposal.....	18%
I somewhat support the \$200 billion over 10 years proposal	24%
I strongly support the \$200 billion over 10 years proposal	15%
Don't know	16%
Refused.....	1%
\$1 TRILLION OVER 10 YEARS	44%
\$200 BILLION OVER 10 YEARS.....	39%

For each of the following, would you say it is very important, somewhat important, not too important or not important at all that funding for that type of project be included in any infrastructure bill Congress approves?

9. Schools

Very important	57%
Somewhat important.....	26%
Not too important	8%
Not important at all.....	5%
Don't know	2%
Refused.....	1%
IMPORTANT.....	83%
NOT IMPORTANT	14%

10. Hospitals

Very important.....	49%
Somewhat important.....	31%
Not too important	12%
Not important at all.....	6%
Don't know	2%
Refused.....	<1%
IMPORTANT.....	80%
NOT IMPORTANT	18%

11. Highways, roads and bridges	
Very important.....	70%
Somewhat important.....	26%
Not too important	2%
Not important at all.....	1%
Don't know	1%
Refused.....	0%
IMPORTANT.....	96%
NOT IMPORTANT	3%
12. Toll roads	
Very important.....	16%
Somewhat important.....	26%
Not too important	30%
Not important at all.....	23%
Don't know	4%
Refused.....	<1%
IMPORTANT.....	42%
NOT IMPORTANT	53%
13. High-speed broadband infrastructure	
Very important.....	37%
Somewhat important.....	33%
Not too important	18%
Not important at all.....	8%
Don't know	3%
Refused.....	0%
IMPORTANT.....	70%
NOT IMPORTANT	26%
14. Clean energy infrastructure (N=251)	
Very important.....	45%
Somewhat important.....	35%
Not too important	13%
Not important at all.....	5%
Don't know	1%
Refused.....	<1%
IMPORTANT.....	80%
NOT IMPORTANT	18%
15. Energy infrastructure (N=249)	
Very important.....	50%
Somewhat important.....	37%
Not too important	8%
Not important at all.....	3%
Don't know	2%
Refused.....	0%
IMPORTANT.....	88%
NOT IMPORTANT	11%

16. Rail systems

Very important.....	36%
Somewhat important.....	43%
Not too important	13%
Not important at all.....	5%
Don't know	2%
Refused.....	0%
IMPORTANT.....	79%
NOT IMPORTANT	19%

17. Ports and waterways

Very important.....	38%
Somewhat important.....	45%
Not too important	13%
Not important at all.....	2%
Don't know	2%
Refused.....	0%
IMPORTANT.....	82%
NOT IMPORTANT	15%

18. Do you agree or disagree with the following statement? Any national infrastructure spending proposal should include substantial investment to expand broadband access in rural areas.

Strongly agree	31%
Somewhat agree	42%
Somewhat disagree	14%
Strongly disagree.....	6%
Don't know	7%
Refused.....	<1%
AGREE	73%
DISAGREE	19%

For each of the following statements, would you say that strongly agree, somewhat agree, somewhat disagree or strongly disagree?

19. The responsibility for funding infrastructure projects should fall to the federal government, not state and local governments.

Strongly agree	21%
Somewhat agree	31%
Somewhat disagree	29%
Strongly disagree.....	11%
Don't know	8%
Refused.....	<1%
AGREE	51%
DISAGREE	40%

20. We should avoid the privatization of our infrastructure.

Strongly agree	30%
Somewhat agree	24%
Somewhat disagree	23%
Strongly disagree.....	11%
Don't know	12%
Refused.....	<1%
AGREE	54%
DISAGREE	34%

21. Providing government incentives for private infrastructure investment will be sufficient to meet our country's infrastructure needs.

Strongly agree	8%
Somewhat agree	37%
Somewhat disagree	22%
Strongly disagree.....	20%
Don't know	12%
Refused.....	0%
AGREE	45%
DISAGREE	42%

22. Robust investment in our nation's infrastructure is crucial to the success of my business.

Strongly agree	20%
Somewhat agree	35%
Somewhat disagree	25%
Strongly disagree.....	13%
Don't know	7%
Refused.....	<1%
AGREE	55%
DISAGREE	38%

23. A proposal has been made for the federal government to invest seed funding to capitalize an infrastructure bank. This bank could be used to leverage its funds for everything from roads to water to broadband projects. The bank would be accessible to states, localities, and regional groups, and would be able to loan them money with favorable terms, as well as offer bond insurance. Do you support or oppose this type of an investment in an infrastructure bank?

I strongly support investment in an infrastructure bank	19%
I somewhat support investment in an infrastructure bank.....	44%
I somewhat oppose investment in an infrastructure bank.....	12%
I strongly oppose investment in an infrastructure bank	8%
Don't know	16%
Refused.....	<1%
SUPPORT INVESTMENT IN AN INFRASTRUCTURE BANK.....	63%
OPPOSE INVESTMENT IN AN INFRASTRUCTURE BANK	20%

Now, I have just a few questions for statistical purposes...

24. In what year were you born?

18-29	3%
30-44.....	19%
45-54	20%
55-64	32%
65+	25%

25. How would you categorize your business?

Retail	17%
Financial, insurance or legal services	9%
Construction	8%
Real estate	6%
Information technology	5%
Agriculture	4%
Manufacturing.....	3%
Medical or dental	3%
Restaurant or food service	3%
Other non-retail services	9%
Wholesale trade	3%
Other	29%
Not sure/Refused to answer	1%

26. Generally speaking, do you think of yourself as a Republican, a Democrat, or an Independent?

Democrat.....	26%
Independent.....	33%
Republican	35%
Other	3%
Don't know	1%
Refused.....	<1%

If independent, other or don't know: Do you think of yourself as closer to the Republican or Democratic Party? (N=189)

Closer to Democrats	32%
Closer to Republicans.....	26%
Neither	39%
Don't know	2%
Refused.....	1%

27. Again, just for statistical purposes what was the gross revenue of your business in 2017?

Less than \$100,000	39%
Between \$100,000 and \$250,000	16%
Between \$250,001 and \$500,000	13%
Between \$500,001 and \$1 million	12%
Between \$1 million and \$2 million	8%
Between \$2 million and \$5 million.....	4%
More than \$5 million	2%
Don't know	1%
Refused.....	6%

28. What is your race?

White.....	82%
African American or Black	5%
Hispanic or Chicano.....	4%
Asian or Pacific Islander	4%
American Indian	1%
Other	1%
Biracial or multiracial	1%
Don't know	0%
Refused.....	1%