

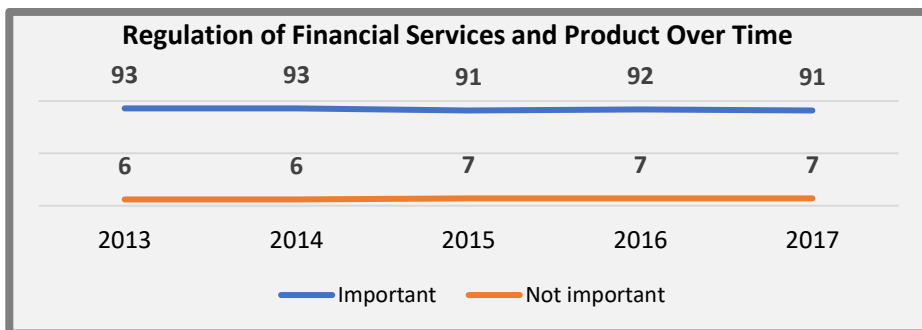
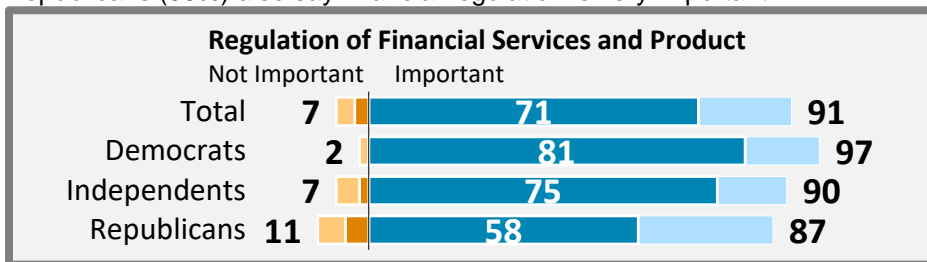
To: Interested Parties
 From: Celinda Lake, Bob Carpenter, David Mermin, and Zoe Grotophorst
 Re: New Poll Reveals Strong Bipartisan Support for Financial Regulation; Americans Say Wall Street's Influence in Washington is Too High ¹
 Date: July 18, 2017

For the fifth consecutive year, a poll conducted by Lake Research Partners and Chesapeake Beach Consulting shows overwhelming and bipartisan support among likely voters for regulation and oversight of the financial services industry. Backing from Republicans is at historic highs. Voters also believe that Wall Street's influence in Washington is high and growing under the Trump administration, and are wary of lawmakers who take money from the industry.

By wide margins, voters want to see tough oversight of Wall Street banks, financial service providers, payday and mortgage lenders, and debt collectors. They are fans of the Consumer Financial Protection Bureau, which celebrates its 6th anniversary this week. They unequivocally support the agency's new rule curbing forced arbitration, a measure that restores the consumer's right to sue banks and other companies.

Support for Regulation and Accountability

- More than nine in ten Americans (91%) believe it is important to regulate financial services, including 71% who believe it is very important. Strong bipartisan majorities say financial regulation is very important. While Democrats believe this most intensely (81% very important), majorities of independent voters (75%) and Republicans (58%) also say financial regulation is very important. ²



Lake Research Partners
 1101 17th Street NW,
 Suite 301
 Washington, DC 20036

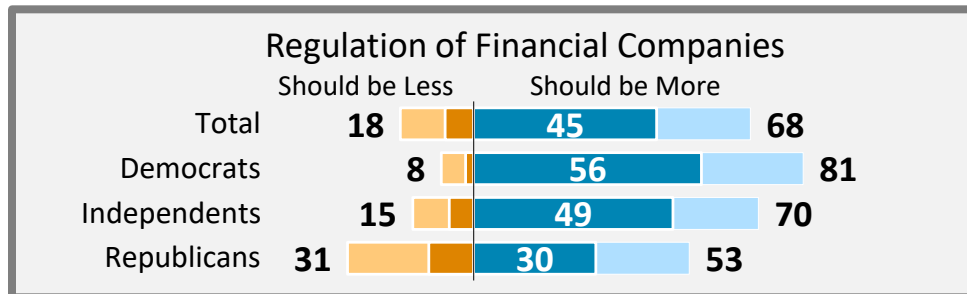
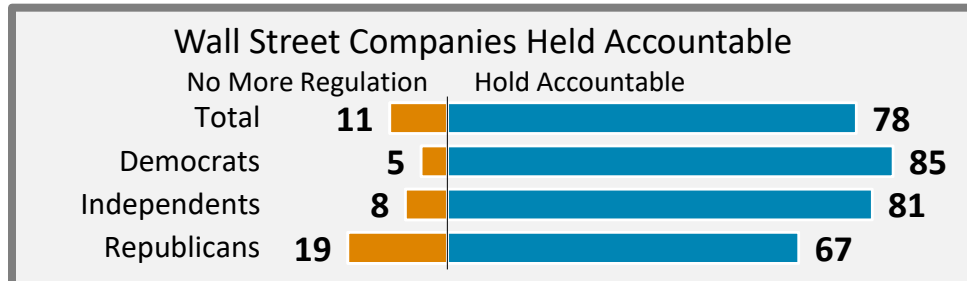
Tel: 202.776.9066
 Fax: 202.776.9074

Partners
 Celinda Lake
 Alysia Snell
 David Mermin
 Dr. Robert G. Meadow
 Daniel Gotoff
 Joshua Ulibarri

¹ Lake Research Partners and Chesapeake Beach Consulting conducted a telephone survey of 1,000 likely 2018 general election voters on behalf of Americans for Financial Reform and the Center for Responsible Lending. The national survey was conducted from June 24-June 29, 2017 and has a margin of error of +/- 3.1.

² How important is it to regulate financial services and products to make sure they are fair for consumers? Is it very important, somewhat important, a little important, or not at all important?

- Strong majorities of Americans say that Wall Street financial companies should be held accountable with tougher rules and enforcement (78%)³ and that they should be regulated more by the government (68%).⁴ Majorities of all parties agree.

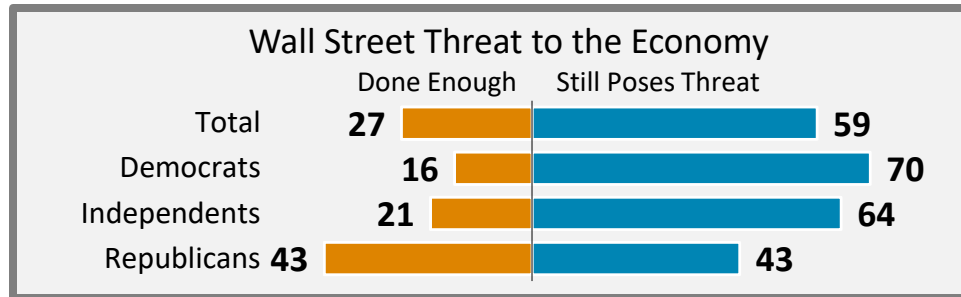


- Americans are still concerned about reckless practices of Wall Street and the financial services industry posing a threat to the economy. When this view is contrasted with the position that government has intervened too much, hindering innovation and slowing economic growth, six out of ten Americans (59%) believe the financial industry still poses a threat, including a plurality of Republicans (43%) and majorities of Democrats (70%) and independents (64%).⁵ Support among independents has grown 5 points since 2016. 27% of Americans say the government has intervened too much in reforming the financial system and that more intrusive government regulation will hinder innovation and slow down economic growth. 16% of Democrats feel this way, as do 21% of independent voters, and 43% of Republicans.

³ Should Wall Street financial companies be held accountable with tougher rules and enforcement for the practices that caused the financial crisis in 2008, or have their practices changed enough that they don't need further regulation?

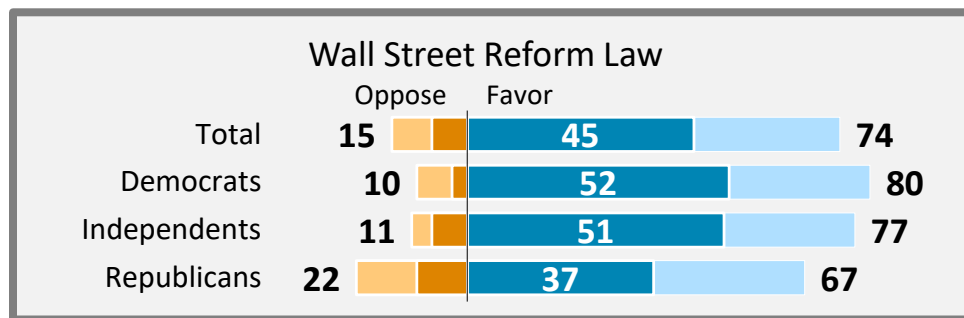
⁴ Generally speaking, do you think there should be more government regulation of financial companies, such as Wall Street banks, mortgage lenders, payday lenders, debt collectors, and credit card companies, or less regulation of these companies?

⁵ Now I'm going to read you two statements. Please tell me which one is closer to your own view, even if neither is exactly right. [ROTATE STATEMENTS] (Some people) say that Wall Street and the financial industry are still too powerful and still engaged in reckless practices that pose a continuing threat to the economy and people's financial well-being. (Other people) say that government has intervened too much in reforming the financial system and that more intrusive regulation would hinder innovation and slow down economic growth. Which statement comes closer to your own view? (Split Sample)



Support for Dodd-Frank Law and the CFPB

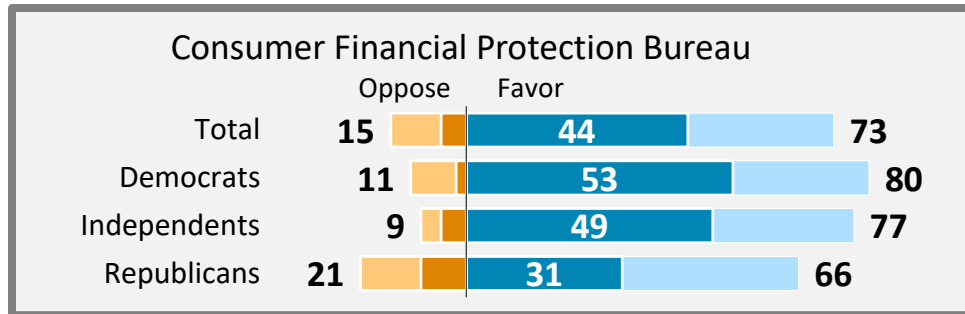
- When the Wall Street Reform and Consumer Protection Act of 2010 is described, nearly three-fourths of Americans (74%) favor the law.⁶ The law is favored by eight out of ten Democrats (80%) and independent voters (77%). Two-thirds of Republicans favor the law (67%).



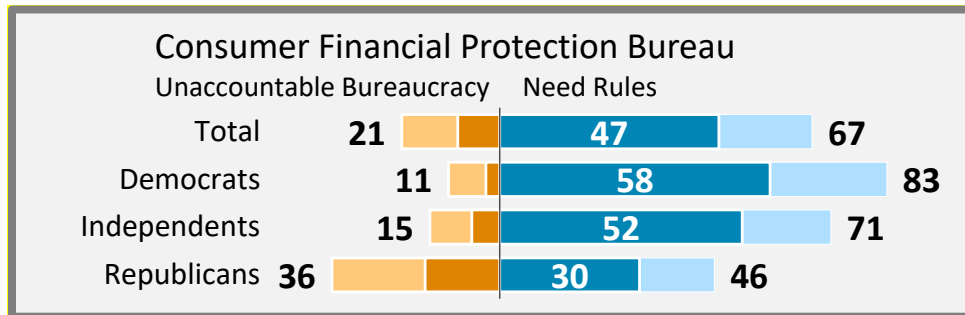
- When the Consumer Financial Protection Bureau (CFPB), created by the Wall Street Reform Law, is described, 73% of Americans favor the agency.⁷ Support is made up of strong majorities from all parties, including 80% of Democrats, 77% of independents, and 66% of Republicans.

⁶ Now please listen to this description of the Wall Street Reform law that was passed after the financial crisis. In addition to requiring federal oversight of a larger range of financial companies, this law also prohibits banks from certain risky practices, and created the Consumer Financial Protection Bureau to fight against abusive financial practices that hurt consumers. It also bans taxpayer-funded bailouts of large banks and financial companies and, instead, sets up a system where investors rather than taxpayers bear the losses of bank failures. Please tell me whether, overall, you favor or oppose this law. [IF FAVOR/OPPOSE]: Do you favor/oppose that strongly or just somewhat?

⁷ The Consumer Financial Protection Bureau, or CFPB, is the first federal agency whose focus is protecting consumers when they use mortgages, credit cards, bank accounts, and other financial products and services. Its mission includes preventing deceptive, unfair and abusive lending and collection practices by banks and other companies. From what you know about the Consumer Financial Protection Bureau, or CFPB, would you say you favor or oppose the CFPB?



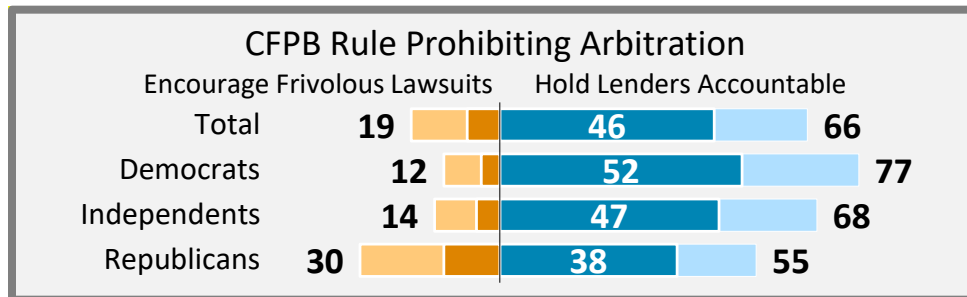
- When presented with an argument advocating for the CFPB that draws parallels to other widely-supported government regulations that protect consumers (rules on food, appliances, and automobiles), against a strong counter-argument that the CFPB is an unaccountable bureaucracy and an example of job-killing big government, a strong majority (67%) of Americans continue to side with the CFPB. Support is highest among Democrats, who reach 83% support, but a substantial majority of independents (71%) are also in support.⁸



- After hearing arguments for and against the CFPB's proposed rule prohibiting class action bans in mandatory arbitration, 66% of Americans support the rule and 46% support it strongly. Only 19% say that the rule will lead to frivolous lawsuits that will drive up consumer costs. Majorities of all parties support the rule, including 77% of Democrats (52% strongly), 68% of independents (47% strongly), and 55% of Republicans (38% strongly).⁹

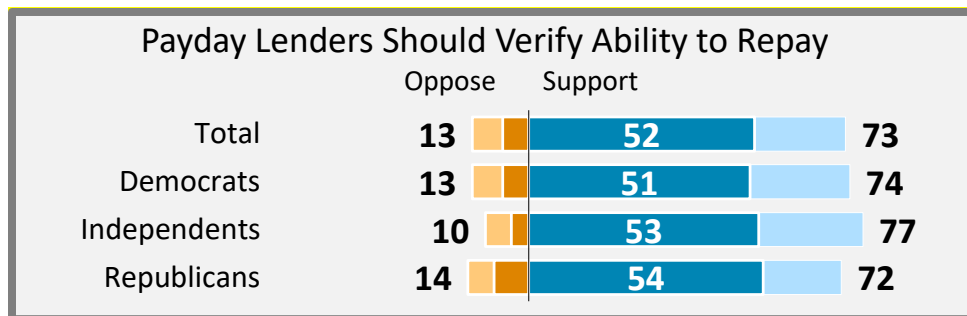
⁸ Now I'd like to read you a pair of statements about the Consumer Financial Protection Bureau, or CFPB. Of the two, please tell me which statement is closer to your own views, even if neither is exactly right. [ROTATE STATEMENTS] (Some/other people say) We have rules to guard against unsafe meat, appliances, and automobiles. The CFPB is there to provide similar rules for financial products. Just as it's against the rules to sell dangerous toys, it should be against the rules to sell dangerous loans and mortgages and have Wall Street interests put our savings and homes at financial risk. (Some/other people say) The Consumer Financial Protection Bureau is another unaccountable, expensive, federal bureaucracy we don't need. The bureau imposes harsh regulation on small financial businesses lacking resources to manage intrusive government oversight and cuts access to credit. This costs jobs, and impedes economic recovery. The CFPB is yet another example of out of control, big federal government.

⁹ Now I'd like to read you a pair of statements about lawsuits against banks and other lenders. Of the two, please tell me which statement is closer to your own views, even if neither is exactly right. [ROTATE STATEMENTS] The Consumer Financial Protection Bureau, or CFPB, proposed a rule that guarantees your right to join with others in lawsuits against Big Banks and payday lenders that commit fraud and break the law. Without this rule, you would be forced to face powerful financial companies alone in secret proceedings, where a firm chosen by the bank determines your case. The rule would restore your right to stand with others to publicly expose Big Banks and hold them accountable for wrongdoing. [HOLD LENDERS ACCOUNTABLE] The Consumer Financial Protection Bureau, or CFPB, proposed a rule that guarantees your right to join with



Concerns About Payday Lending and Debt Collection

- 73% of Americans support requiring payday lenders to check a borrower’s ability to pay before lending money.¹⁰ 52% strongly support the rule. 74% of Democrats support the rule (51% strongly), as well as 77% of independents (53% strongly) and 72% of Republicans (54% strongly).



- When it comes to debt collection, Americans have serious concerns. 70% of Americans are very concerned that debt collectors target the wrong people or try to collect on debts that have already been paid.¹¹ 68% of voters are very concerned that debt collectors sue a million consumers each year without the evidence to prove their case in court. This is an especially strong concern for independent voters.¹² 64% of voters are very concerned that debt collectors are seeking government approval to

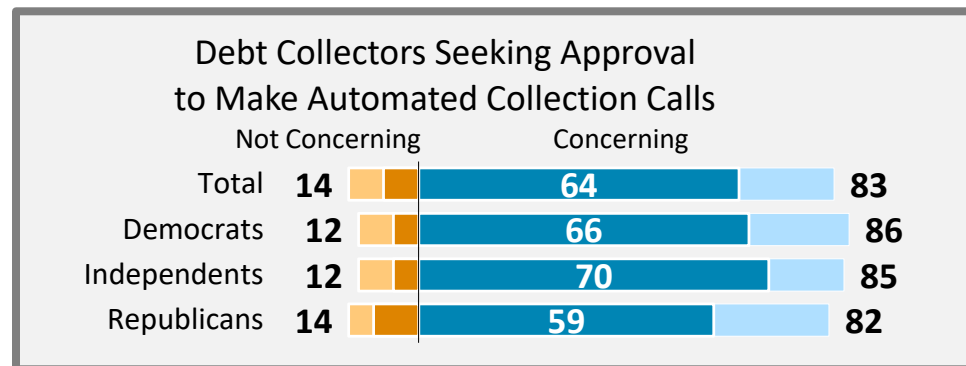
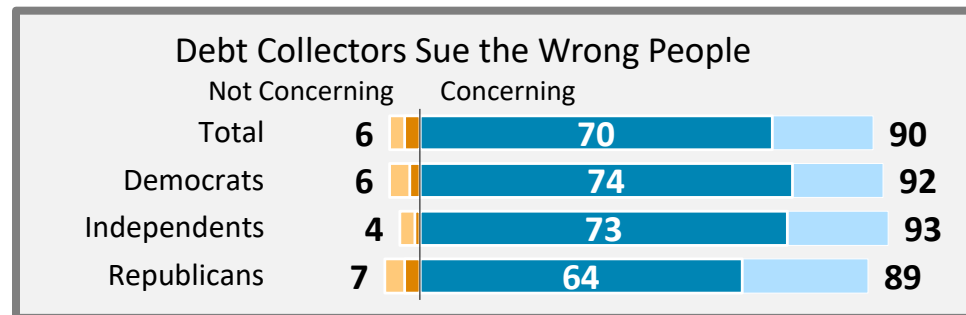
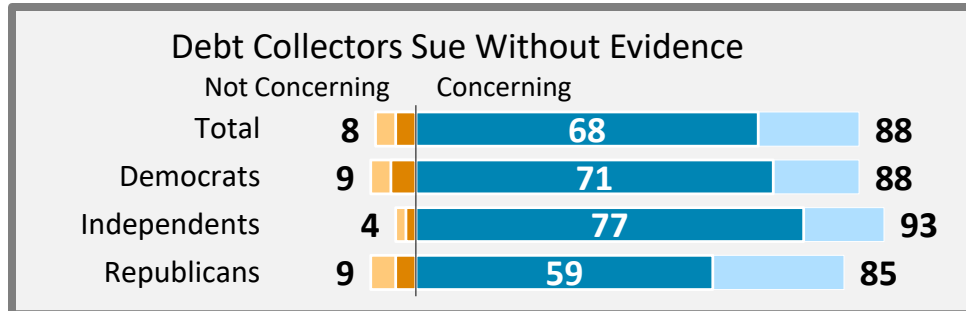
others in lawsuits against Big Banks and payday lenders that commit fraud and break the law. Without this rule, you would be forced to face powerful financial companies alone in secret proceedings, where a firm chosen by the bank determines your case. The rule would restore your right to stand with others to publicly expose Big Banks and hold them accountable for wrongdoing. [ENCOURAGE FRIVOLOUS LAWSUITS] The proposed Consumer Financial Protection Bureau, or CFPB, rule to allow class actions against banks and other lenders will just lead to frivolous lawsuits filed by greedy trial lawyers that drive up consumer costs. The current system of arbitration by a neutral third party is fair, faster, and cheaper. If disputes go to court, customers may wait years for any money and the lawyers will take a big cut – raising bank fees and finance charges for everyone.

¹⁰ The Consumer Financial Protection Bureau is currently writing new rules for payday lending. One new requirement may be that, before issuing a loan, payday lenders would have to consider the borrower’s current expenses and income, and only issue loans to those likely to be able to repay their loans. Currently there is no requirement that payday lenders make any effort to verify borrowers’ ability to repay loans. Would you support or oppose this new rule that payday lenders be required to check a borrower’s ability to repay a loan before lending the money, or aren’t you sure?

¹¹ Now I am going to read you statements about debt collection. For each, please tell me if the statement is very concerning, somewhat concerning, a little concerning, or not at all concerning [RANDOMIZE] Relying on bad or incomplete information, some debt collectors target the wrong people or try to collect on debts that have already been paid.

¹² Debt collectors sue a million consumers each year even when they do not have the evidence to prove their case in court.

make automated collection calls to cell phones without the approval of the person being called. Again, independents are particularly concerned.¹³

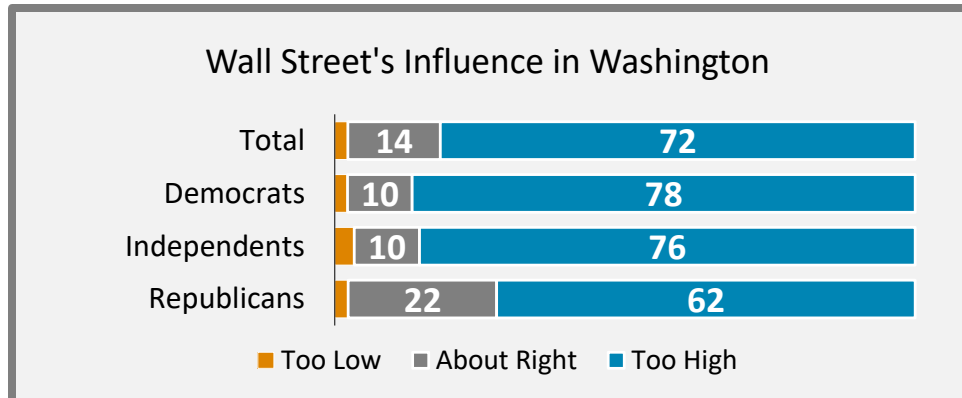


Wall Street’s Influence in Washington

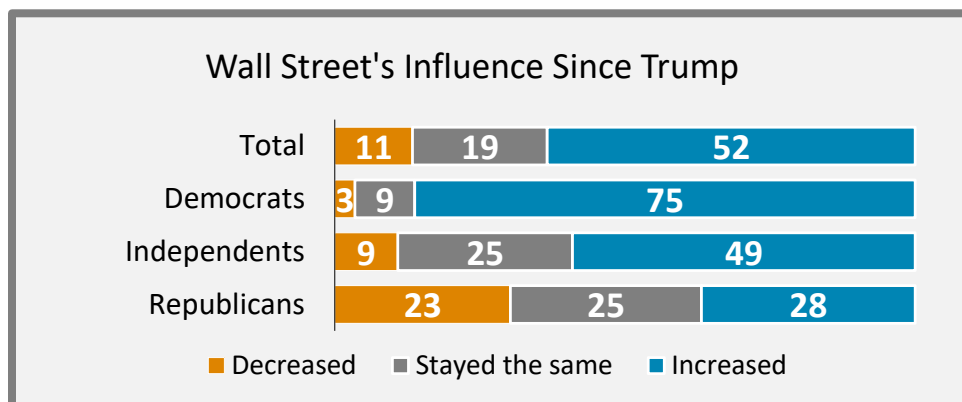
- Strong majorities of Americans of all parties say Wall Street’s influence in Washington is too high. 72% of voters feel this way, including 78% of Democrats, 76% of independents, and 62% of Republicans.¹⁴

¹³ Debt collectors are seeking government approval to make pre-recorded, automated calls to cell phones for collection purposes without approval of the person being called.

¹⁴ Do you think Wall Street's influence in Washington is too high, too low, or about right?



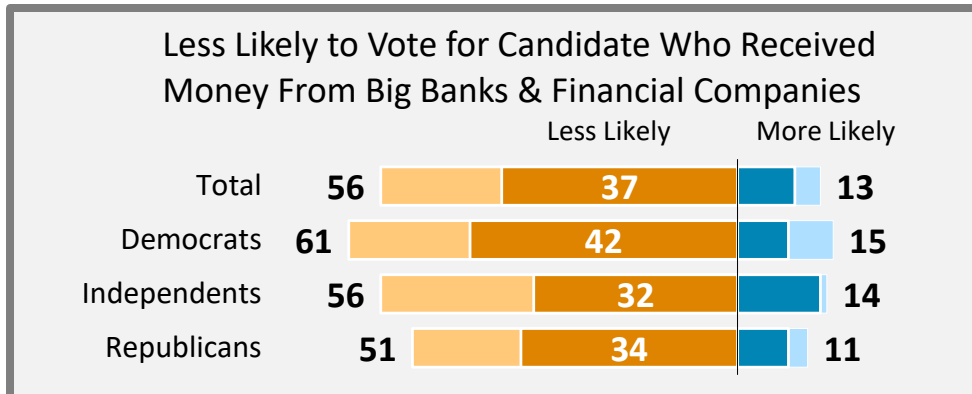
- A majority of voters (52%) say that Wall Street's influence in Washington has increased since Trump became president.¹⁵ However, attitudes are highly partisan. 75% of Democrats say Wall Street's influence has increased, compared to 49% of independents and 28% of Republicans. Though just 28% of Republicans say Wall Street's influence has increased, that percentage is larger than those who say it has decreased (23%) or remained the same (25%).



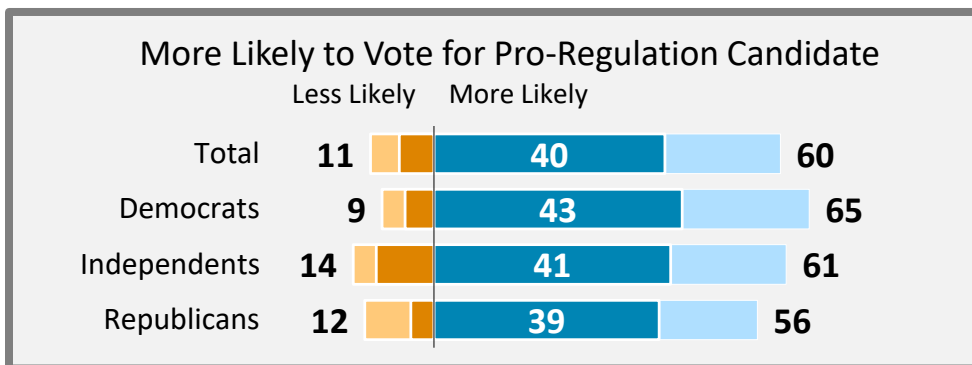
- Voters will take their support to the ballot box. Majorities of voters in all parties say that knowing a candidate or member of Congress has received large sums of campaign money from big banks and financial companies would make them less likely to support that candidate. 61% of Democrats say it would make them less likely (42% much less likely), as do 56% of independents (32% much less likely) and 51% of Republicans (34% much less likely). Negativity toward such candidates has grown since 2016, especially among Democrats.¹⁶

¹⁵ Do you think Wall Street's influence in Washington has increased or decreased since Trump became president?

¹⁶ If you knew that a candidate or member of Congress had received large sums of campaign money from big banks and financial companies, would that make you more or less likely to vote for him or her, or would it not make a difference to you?



- Similarly, majorities of voters in all parties say they are more likely to support a candidate or member of Congress that favors protecting consumers by enforcing tough rules on Wall Street. Support has grown since 2016, especially among Democrats.¹⁷



Americans of all parties recognize that our financial system poses risk to the economy and that Wall Street’s influence in Washington is too high. They continue to support the Wall Street Reform and Consumer Protection Act and the Consumer Financial Protection Bureau (CFPB). Pro-regulation attitudes are higher than in previous years of this study, with Republicans joining Democrats and independent voters in calling for increased regulation and oversight.

Please feel free to contact Celinda Lake (clake@lakeresearch.com), David Mermin (dmermin@lakeresearch.com), or Zoe Grotophorst (zgrotophorst@lakeresearch.com) at 202-776-9066 for additional information about this research.

¹⁷ If you knew that a candidate or member of Congress favored protecting consumers by enforcing tough rules on Wall Street to prevent irresponsible practices and abuses, would that make you more or less likely to vote for him or her, or would it not make a difference to you?