Financial Regulation and Public Opinion

Key points from the latest voter survey conducted by Lake Research
for Americans for Financial Reform and the Center for Responsible Lending[1]

Six years after the financial crisis and four years after Dodd-Frank, Americans are united in their support for tough financial regulation as a general concept.

- More than 9 out of 10 voters believe it is important to regulate financial products and services. Seven out of 10 voters say it is *very* important. (Slide 13)
- Nearly two-thirds of voters say there should be more, not less, government oversight of financial companies. (Slide 14)
- While elected officials may be divided on these issues, their constituents aren't. Financial regulation is seen as important by 96% of Democrats, 92% of Independents, and 89% of Republicans. Only 10% of voters believe that financial industry practices have changed enough to make further regulation unnecessary. (Slide 15)
- Three-fifths of voters see Wall Street power and recklessness as a continuing danger to the economy. (Slide 28)
- By a 3:1 margin, voters agree that getting tougher on Wall Street will help prevent future crises, rejecting the counter-argument that regulation will damage the economy. (Slide 16)
- Here, too, Democratic, Independent, and Republican voters lean the same way – by margins of 85% to 7%, 78% to 9%, and 72% to 15% respectively. (Slide 16)

The Consumer Financial Protection Bureau and its mission command strong support, although many people have not yet heard of the agency.

- Voters who have formed an impression of the CFPB rate it positively by a 4:1 margin. (Slide 22)
- 85% of Democrats, 75% of Independents, and 63% of Republicans favor the CFPB after hearing a description of its purpose. (Slide 24)
- Exposed to the arguments on both sides, a majority of voters support the Consumer Bureau, rejecting the notion that it is an unaccountable, expensive, unnecessary federal bureaucracy. (Slide 24)

By strikingly wide margins, voters back a set specific reforms and reform proposals involving the consumer financial marketplace.

- Roughly 80% of voters think small-dollar lenders should have to verify a customer's ability to repay before issuing a loan. (Slide 29)
- More than 8 out of 10 voters believe that borrowers should be allowed to repay student loans with a minimum monthly payment based on their income (88% agree).

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[1] 1,000 likely voters were surveyed by telephone at the end of June 2014. For more detailed information, see slides and topline results posted on the AFR website.

- More broadly, 70 percent of voters say the federal government should be doing more to help those who are struggling with student loan debt. (Slide 36)
- If a customer doesn't have enough money in the bank to cover a purchase, 86 percent of voters believe that the bank should decline the transaction rather than approve it and charge an overdraft fee. (Slide 30)
- 76% of those surveyed say financial consumers should have the right to take their complaints to court instead of being required to accept dispute arbitration by a third party chosen by the bank or lending institution. (Slide 31)
- 71% say that a group of financial consumers should be allowed to jointly sue a lender over a common issue. (Slide 31)
- While voters have mixed or positive views of some financial products, payday lenders and debt collectors are deeply unpopular. 65 percent of voters view them as predators, compared to just 15 percent of voters who see them as a resource. (Slide 8)
- Debt collectors are viewed negatively by 61% of voters; only 20% have a positive opinion of debt collectors. (Slide 8)
- 43% of voters say they have been personally overcharged or deceived by a financial company. (Slide 9)

The political influence of Wall Street and the financial industry is a matter of extremely wide concern.

- Four-fifths of all voters – 84% of Democrats, 82% of Independents, and 74% of Republicans – say they are concerned over the political influence of Wall Street and the financial industry. 56% say they are *very* concerned. (Slide 38)
- More than half (55%) say they would be less likely to vote for a congressional candidate known to have received large donations from big banks and financial companies, as against 13% who say they would be more likely to vote for such a candidate, and 31% with no opinion one way or the other. (Slide 39)