To: *Interested Parties*

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RE: Key Findings from a Battleground Congressional District Survey on Curbing Wall Street's Influence

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A new nationwide survey of likely 2018 voters in key battleground congressional districts reveals overwhelming, broad-based, and intense support for curbing big banks' influence in Washington, and holding financial companies accountable for discrimination.[1]

The survey queried likely voters – ones with regular midterm vote history – and included an extra sampling of surge, or drop-off voters, who vote consistently in presidential elections, but unevenly in midterms (careful polling of irregular voters is essential to accurate surveys in elections outside presidential years).

For both groups, curbing Wall Street's influence is a voting issue. Majorities of likely and drop-off voters say they are more likely to vote for candidates who support these reforms. **That includes a majority of voters in congressional districts rated by Cook Political report as Lean Republican and a more than two-to-one plurality of districts rated as Likely Republican**, along with majorities in districts rated as Tossups and Likely or Lean Democratic.

The strongest messages on the issue revolve around the financial industry's role in perpetuating racial discrimination and economic inequality (including the recent tax bill), as well as the importance of government working for all Americans, not just campaign donors and Wall Street banks. These core themes inform the public's appetite for Wall Street reform and tie neatly into the larger issue agenda for this election.

These findings drive home that candidates need not choose between messages on racism or economic inequality. In fact, voters of all persuasions see these issues as connected and will support candidates who will fight discriminatory financial practices.

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Key Findings:

- **Overwhelming majorities of both likely voters and drop-off voters agree Wall Street's influence in Washington is too high (likely voters: 66% too high, 3% too low; drop-off voters: 64% too high, 5% too low). Moreover, fully half of likely voters (50%) and a solid majority of drop-off voters (59%) see "curbing Wall Street's influence" as an important issue in determining their vote for in 2018.**

- **Voters are prepared to reward candidates who support efforts to curb Wall Street's influence and don't accept Wall Street campaign cash—and punish those who do not.** Majorities of both likely and drop-off voters indicate they are more likely to support a candidate who refused to accept campaign

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[1] Lake Research Partners designed and administered this survey, in consultation with Chesapeake Beach Consulting, which was conducted by phone using professional interviewers. The survey reached a total of 1,000 likely 2018 General Election voters in battleground Congressional districts, including an oversample of 350 potential surge/drop-off voters. The list of districts was defined as the 100 battleground districts listed by Cook Political Report. The survey was conducted April 28th through May 7th, 2018 and has a margin of error of +/- 3.1%.

donations from big banks and Wall Street executives (55% and 60% more likely, respectively). The inverse is also true: voters are less likely to support a candidate who has received such donations from big banks and Wall Street executives (51% less likely among likely voters and 61% less likely among drop-off voters).

- **Candidates that promote reforms to curb Wall Street's influence over the economy and government stand to improve their position with voters of all persuasions, and to motivate less likely progressive voters to turn out.** In a political environment where Democrats lead Republicans in the generic congressional ballot by a relatively narrow margin -- 5 points among likely voters (41% to 36%, with 21% undecided) and by 13 points among drop-off voters (44% to 31%, with 23% undecided) -- the impact can be consequential.

- **The four strongest frames in favor of government taking a tougher stance on Wall Street highlight Wall Street's racially discriminatory lending practices, massive payouts from the recent tax bill, outsize political influence and role in exacerbating economic inequality.** Meanwhile, anti-reform messages fail to gain traction among either likely or drop-off voters.
  - <u>A message that underscores the massive benefits delinquent Wall Street banks gained from the tax bill is the most effective message among likely voters</u>. More than seven-in-ten likely voters (71%) find this a convincing reason to support the government taking a tougher stance on Wall Street, including nearly half (48%) who find it *very* convincing. Drop-off voters find this argument similarly motivating, with 75% rating it as convincing, including 48% who rate it very convincing. It is also worth noting that majorities of likely voters (52%) drop-off voters (59%) alike support a policy proposal to "reverse the new large tax cut for Wall Street and financial companies". Framing the tax bill as a hand out to Wall Street banks while working families are neglected is an effective way to connect this issue to what most voters already feel.
  - <u>A message highlighting Wall Street's role in rigging the economic system to reap benefits for the wealthy resonates deeply with drop-off voters who feel our economic priorities are backwards</u>. Fully 80% find this message convincing, including a majority (53%) who rate it very convincing. The message also resonates powerfully with likely voters (73% convincing, 48% very convincing). By highlighting how Wall Street reforms could right our economic priorities, candidates can engage drop-off voters and speak to the concerns of likely voters at the same time.
  - <u>A message that discusses the racially discriminatory practices of big banks and Wall Street firms is crucial to engaging drop-off voters</u>, a majority of whom feel strongly that these corporations should be held responsible for their actions (79% convincing, including 52% very convincing). Though slightly less powerful among likely voters, 69% still rate this message convincing, including 44% very convincing. Regulating Wall Street to ensure equal treatment of all Americans, regardless of race, ethnicity, or gender, powerfully links two prominent issues to resonate strongly among drop-off voters without hurting support among likely voters.
  - <u>A message underlining how millions in political contributions and the revolving door between big banks and government ensure politicians remain beholden to Wall Street is a similarly potent argument</u> among both likely and drop-off voters. Fully 78% of likely voters find it convincing (46% very convincing), as do 82% of drop-off voters (47% very convincing). Again, support for the top of mind issue of accountability in government can be reinforced by advocating for Wall Street reform.

- **Beyond supporting Wall Street reform in general terms, voters strongly embrace holding Wall Street accountable for its racially discriminatory financial practices. Three-quarters of likely voters (77%) and more than eight-in-ten drop-off voters (83%) *strongly* support a proposal to "hold financial companies accountable if they discriminate against people based on their race or ethnicity.** Total support among both groups approaches ninety percent—i.e. near unanimity and, at the level of core values, not even an issue. This data is especially pertinent, considering the House of Representatives recently voted to repeal regulations that protected consumers against auto lenders that charge minorities more for car loans. It is also important to note that this proposal is strong not just among Democratic voters (92% of whom strongly support it), but also among independents (83%) – the swing voters who can turn an election. Republicans also agree (64% strong support).

- **Voters strongly embrace other specific policy proposals designed to curb Wall Street's influence.** Policy proposals focusing on separating commercial from investment banking and breaking up the biggest banks to prevent another financial crisis and government bailout received broad support:
    - "Separating commercial banking from investment banking so there is a firewall between banks handling your savings and Wall Street traders" (likely voters: 72% support, including 53% strong support; drop-off voters 71% support, including 53% strong support). This proposal has bipartisan appeal, gaining a majority of support among Democrats (77%), independents (82%), and Republicans (67%).
    - "Breaking up the biggest banks to prevent a government bailout in the event of another financial crisis" also enjoy broad and solid backing. Among likely voters, 57% support the proposal, including 46% who support it strongly. Among drop-off voters, 73% support the proposal, including 57% who support it strongly.
    - "Eliminating the 'carried interest loophole,' which allows financial executives to pay lower tax rates than most salaried workers" (51% total support among likely voters and 59% total support among drop off voters). This proposal resonates with a diverse array of voters, from the Rising American Electorate (59% total support) and voters under 30 years old (66%) to men over 50 (61%). This proposal may motivate key groups of drop-off voters while also winning over regular voters who are outside of the progressive base.

Strongest Messages In Favor Of Government Taking A Tougher Stance On Wall Street
[TAX BILL FOR WALL STREET] This tax bill was supposed to benefit all Americans. But while hardworking families haven't seen much in their paychecks, Wall Street banks are already cashing out. They are the single largest beneficiaries of the bill, collectively getting over $250 billion in new tax breaks. What's worse, the money is going to big banks like Wells Fargo who helped cause the financial crisis and have been caught cheating their customers and workers again and again since. This tax bill was written to benefit Wall Street, not our families.
[NOT JUST BILLIONAIRES/INEQUALITY] Big banks and Wall Street billionaires have rigged the economy. The gains go to those at the top while millions of families are still struggling to get back on their feet. Wall Street billionaires use loopholes to pay lower taxes than teachers, and hedge fund and private equity managers squeeze more and more for themselves out of companies while reducing benefits and eliminating jobs. We need to re-write the rules to make the economy work for working families, not just billionaires and big banks.
[EXPLOITATION w/POC] Whether white, black, or brown, we all want to build a better future for our children. But big banks and Wall Street firms are rigging the rules of our economy, and targeting minority families for predatory lending and higher interest rates for their car loans and mortgages. Instead of giving Wall Street more tax breaks, we need to hold them accountable for their discriminatory actions which create mountains of debt for hardworking women, African Americans, and Latinos.
[POWER AND INFLUENCE] Too many politicians in both parties are beholden to Wall Street. The big banks and hedge fund managers spend millions on lobbyists and millions more on political contributions. And the revolving door between Washington and Wall Street ensures that banks always have access to government decision makers. Our elected officials need to work for everyone, not just the wealthy and well-connected. And that means standing up to Wall Street and the big banks.

Conclusion:

With the 2018 midterms fast approaching, candidates have the opportunity to tap into the deep-rooted antipathy toward Wall Street, the big banks, and their discriminatory practices that is shared by voters of all political persuasions. If candidates campaign on a platform of tough financial reforms, they will both increase friendly turnout, and win over likely voters.

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