MORNING CONSULT

CRL
Center for Responsible Lending

RENT-A-BANK POLLING RESULTS

February 2020

Methodology

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National Survey Methodology

Morning Consult conducted a survey on behalf of the Center for Responsible Lending from January 9-15, 2020. The survey was conducted online among a national sample of 9,962 registered voters. The data were weighted to approximate a target sample of registered voters based on age, race/ethnicity, gender, educational attainment, and region (national data only). Results from the full survey have a margin of error of +/- 1%.

Multilevel Regression with Poststratification (MRP) Methodology

Responses to the survey questions are modeled via multilevel regression as a function of both individual level and state-level variables. Our models use age, gender, education and race as individual-level predictor variables. For our state-level variables, we chose variables that may influence state-level vote choice such as the percent change in state gross domestic product (GDP), state unemployment rates, state median household income and state-level outcomes from the 2016 presidential election.

Morning Consult obtained population parameters for registered voters from the November 2016 Current Population Survey. We applied post-stratification weights at the state level based on gender, age, educational attainment and race using the American Community Survey (ACS).

Key Points

1 **Two-thirds of voters (66%) are concerned about the ability of high-cost lenders to arrange loans through banks at rates higher than the state laws allow.**

- One in three Republicans, independents and Democrats are strongly concerned about this practice.
- Across all 50 states and the District of Columbia, a majority (60-69%) of the population is concerned about high-cost lenders evading state laws.

2 **70% of voters support an annual interest rate cap of no more than 36% for consumer installment loans.**

- This proposal sees wide support among Democrats, independents, and Republicans alike.
- 41% of registered voters strongly support a rate cap of no more than 36% for consumer installment loans, with 45% of Democrats strongly supporting and more than one in three Republicans and independents strongly supporting.
- Voters support a 36% interest rate cap for consumer installment loans, with a 60%-72% total support across all 50 states and DC.

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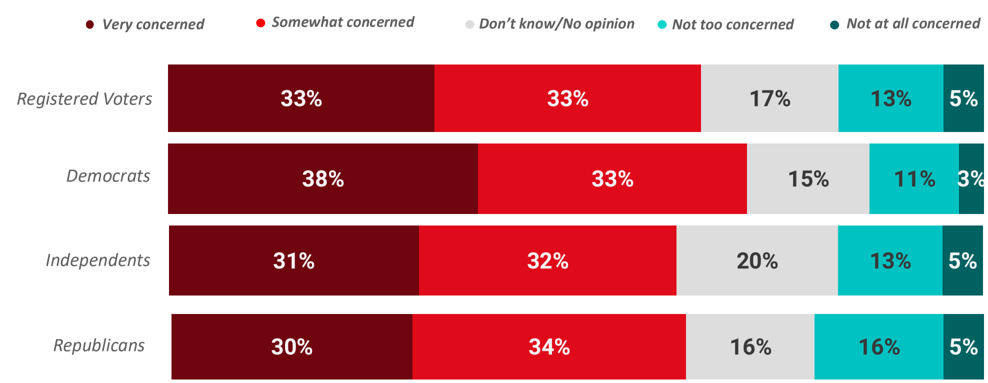
TWO-THIRDS OF VOTERS (66%) ARE CONCERNED ABOUT THE ABILITY OF HIGH-COST LENDERS TO ARRANGE LOANS THROUGH BANKS AT RATES HIGHER THAN THE STATE LAWS ALLOW

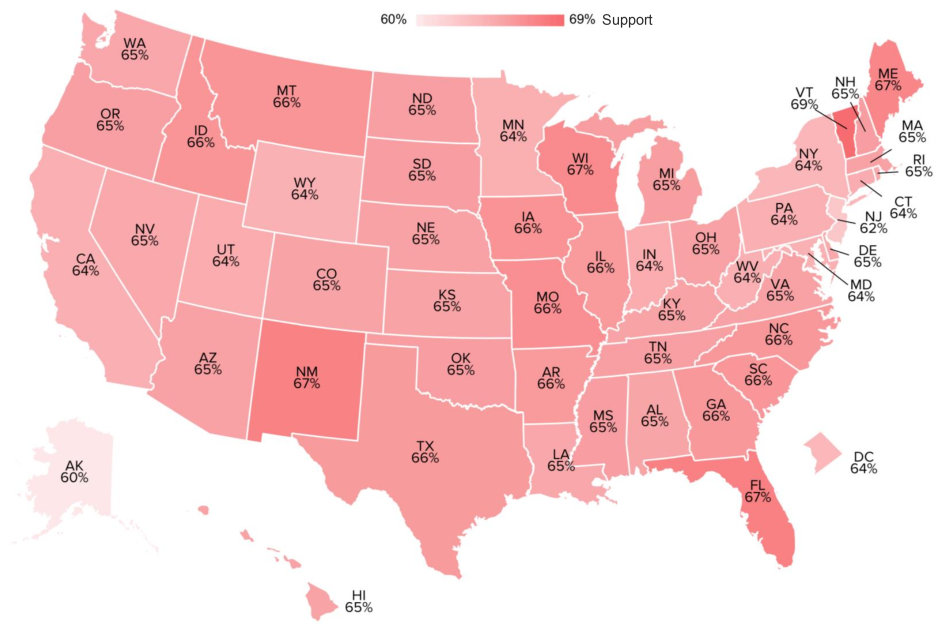
Nearly one in three Republicans, independents and Democrats are very concerned about this practice



Q: As you may know, in some states, state law already prohibits payday lenders from charging more than 36% annual interest. Banks, however, are not subject to state interest rate limits. In states with interest rate limits, payday or other high-cost lenders sometimes avoid state rate limits by arranging high-cost loans to consumers through banks. These loans often have 100% annual interest rates or higher even in states with lower rate limits.

Rent-a-Bank Results

ACROSS ALL 50 STATES AND THE DISTRICT OF COLUMBIA, A MAJORITY (60-69%) OF THE POPULATION IS CONCERNED ABOUT HIGH-COST LENDERS EVADING STATE LAWS



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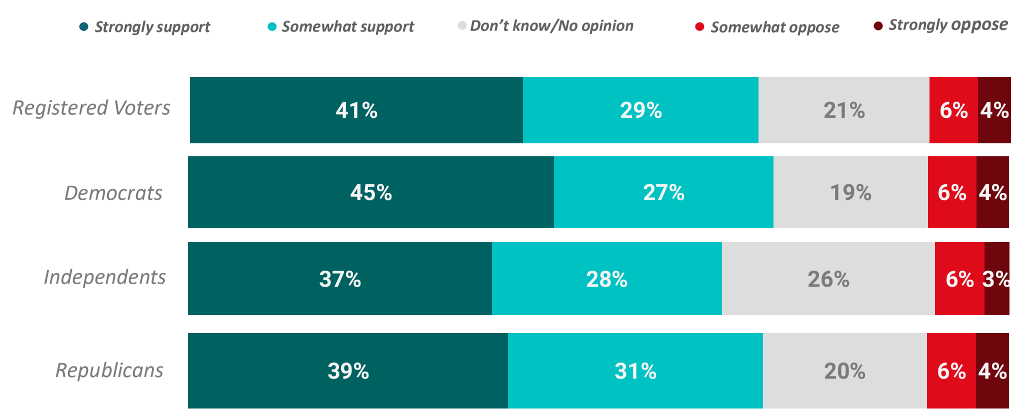
Rate Cap Proposal

70% OF VOTERS SUPPORT AN ANNUAL INTEREST RATE CAP OF NO MORE THAN 36% FOR CONSUMER INSTALLMENT LOANS, WITH 41% "STRONGLY SUPPORTING"

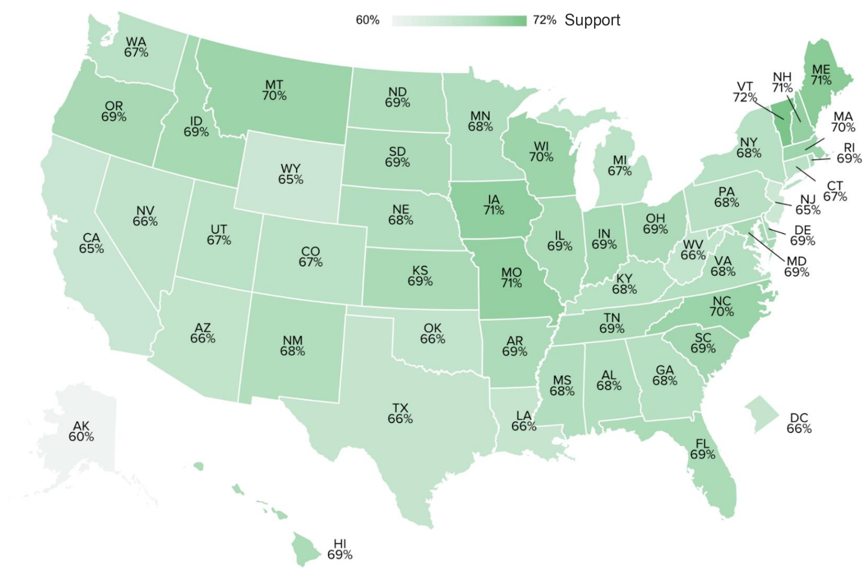
This proposal enjoys wide support among Democrats, independents, and Republicans alike.



Q: As you may know, the annual interest rate with fees for consumer installment loans can range from below 10% to well over 100%. Would you support or oppose a proposal to put a cap on the interest rates of these loans at no more than 36% annual interest?

Rate Cap Proposal

60-72% OF REGISTERED VOTERS IN EVERY STATE SUPPORT A RATE CAP OF NO MORE THAN 36% ANNUAL INTEREST ON CONSUMER INSTALLMENT LOANS



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Rate Cap Proposal

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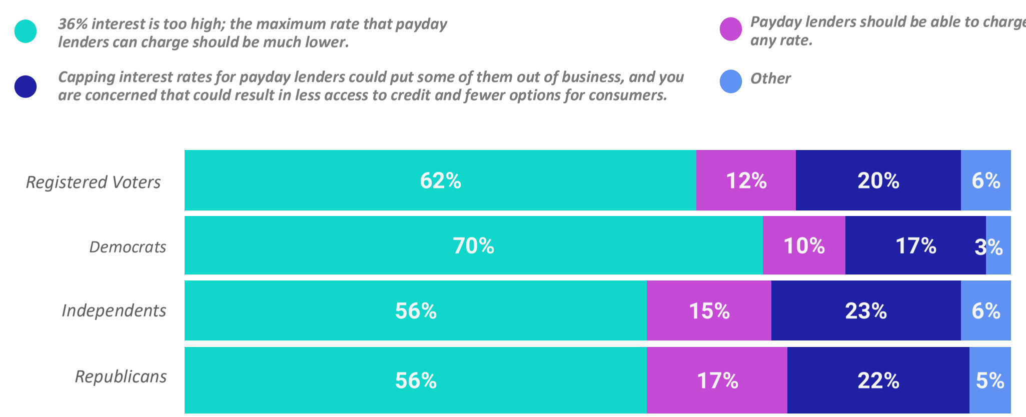
OF THOSE WHO OPPOSE A CAP, 61% OF THOSE VOTERS REPORT THAT IT IS BECAUSE THEY BELIEVE 36% ANNUAL INTEREST IS STILL TOO HIGH AND SHOULD BE MUCH LOWER

A majority of Democrats, Republicans and independents who oppose a 36% annual interest rate cap believe that 36% annual interest is still too high and should be much lower. *(N=1174).*



Q: You reported that you oppose a proposal to cap the interest rates that payday lenders may charge at 36%. Which of the following comes closest to why you oppose capping interest rates at 36%?

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