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Voters Support Climate Financial Reforms

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Key Findings

- **A majority of voters (60 percent)** agree the federal government should enforce more financial safeguards on big banks and insurers to prevent a future financial and economic crisis driven by climate change
- **A majority of voters (62 percent)** agree the government should enact mandatory climate risk disclosure rules
- **By a 35-percentage-point margin**, voters prefer for the federal government to enforce climate risk disclosure rules rather than let Wall Street "self-regulate" their climate risk disclosures
- **Nearly two-thirds of voters (63 percent)** agree the Treasury and Federal Reserve should play an active role in protecting the financial system from a future financial crisis driven by climate change
- **A majority of voters (62 percent)** agree that banks making investments in industries that exacerbate climate change should also make investments in frontline communities

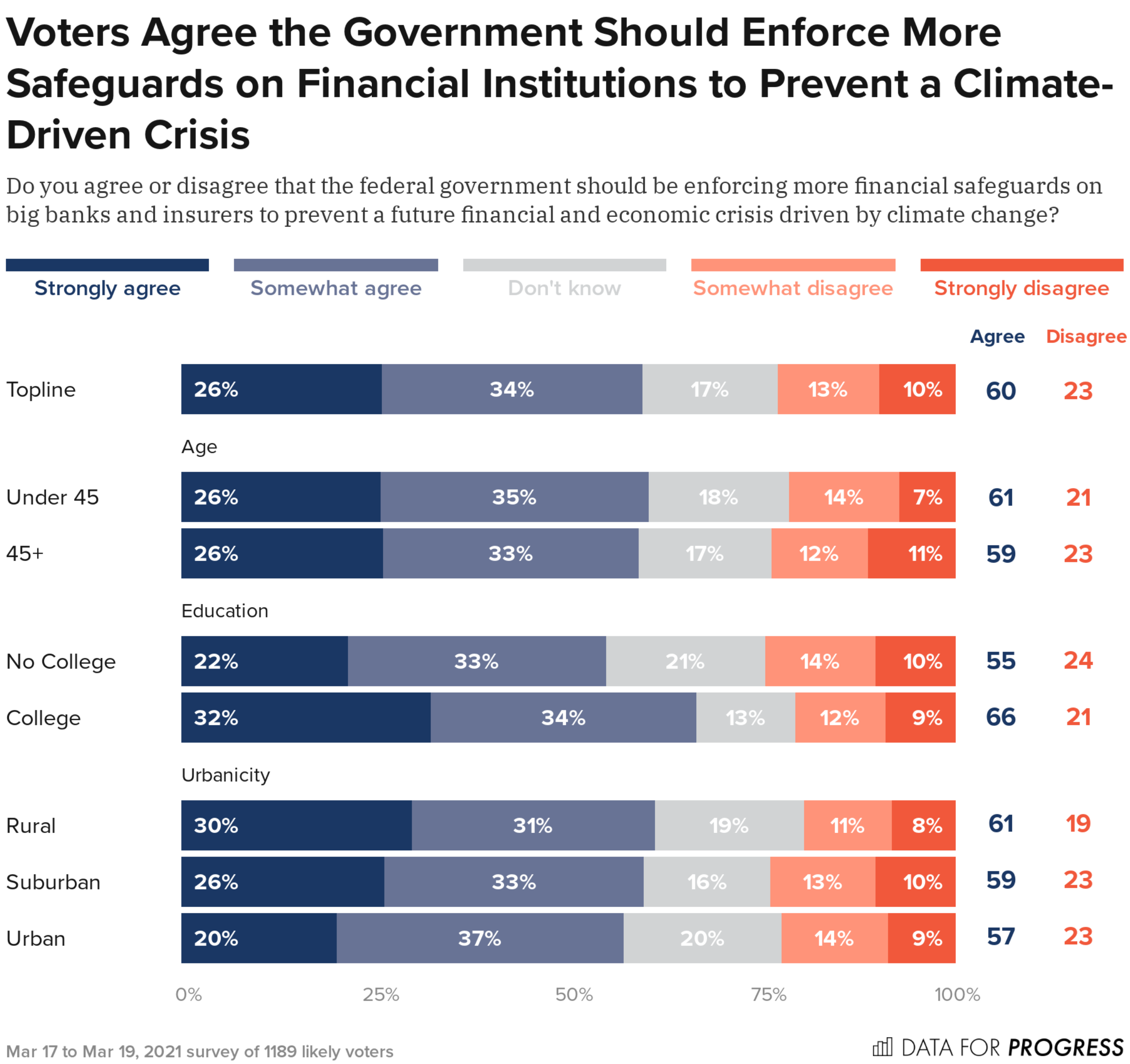
Introduction

President Biden campaigned and won on a platform to take a "whole-of-government" approach to combat the climate crisis. A key component of this approach is mobilizing federal financial institutions and watchdogs to enact reforms that address the risks climate change poses to both the U.S. financial system and the world. In their new report *Climate Roadmap for U.S. Financial Regulation*, Public Citizen and Americans for Financial Reform detail climate-centered financial reforms to ensure that federal regulators use all the tools at their disposal to address climate financial risks and ensure equity and justice are foregrounded in these reforms. Additionally, in their "Five to Mobilize" series, Evergreen Action outlines five key actions the Securities and Exchange Commission (SEC) and Treasury Department can take to enact long-overdue climate financial reforms. Many of these federal policy priorities have also been highlighted by Stop the Money Pipeline, a coalition of 150+ organizations holding Wall Street accountable for its role in the climate crisis.

In two national surveys conducted in January and March 2021, Data for Progress assessed the attitudes of likely voters toward federal regulators enacting new climate financial reforms to ensure Wall Street does not continue to lay the groundwork for future climate-driven financial crises. Data for Progress also assessed voter perceptions of the investments their own banks are making in activities that are fueling climate change, and whether banks making these investments should take actions such as detailing pathways to net-zero emissions and making investments in frontline communities.

Voters Want More Climate Finance Safeguards on Big Banks and Insurers

A majority of all likely voters (60 percent) agree that the federal government should be enforcing more financial safeguards on big banks and insurers to prevent a future financial and economic crisis driven by climate change. There is a clear consensus for these safeguards among voters across different age groups, education levels, and geographies. A majority of voters under 45 (61 percent) and over 45 (59 percent), a majority of non-college-educated (55 percent) and college-educated voters (66 percent), and a majority of rural (61 percent), suburban (59 percent), and urban (57 percent) voters all support the federal government enforcing more safeguards to prevent future climate-driven crises.

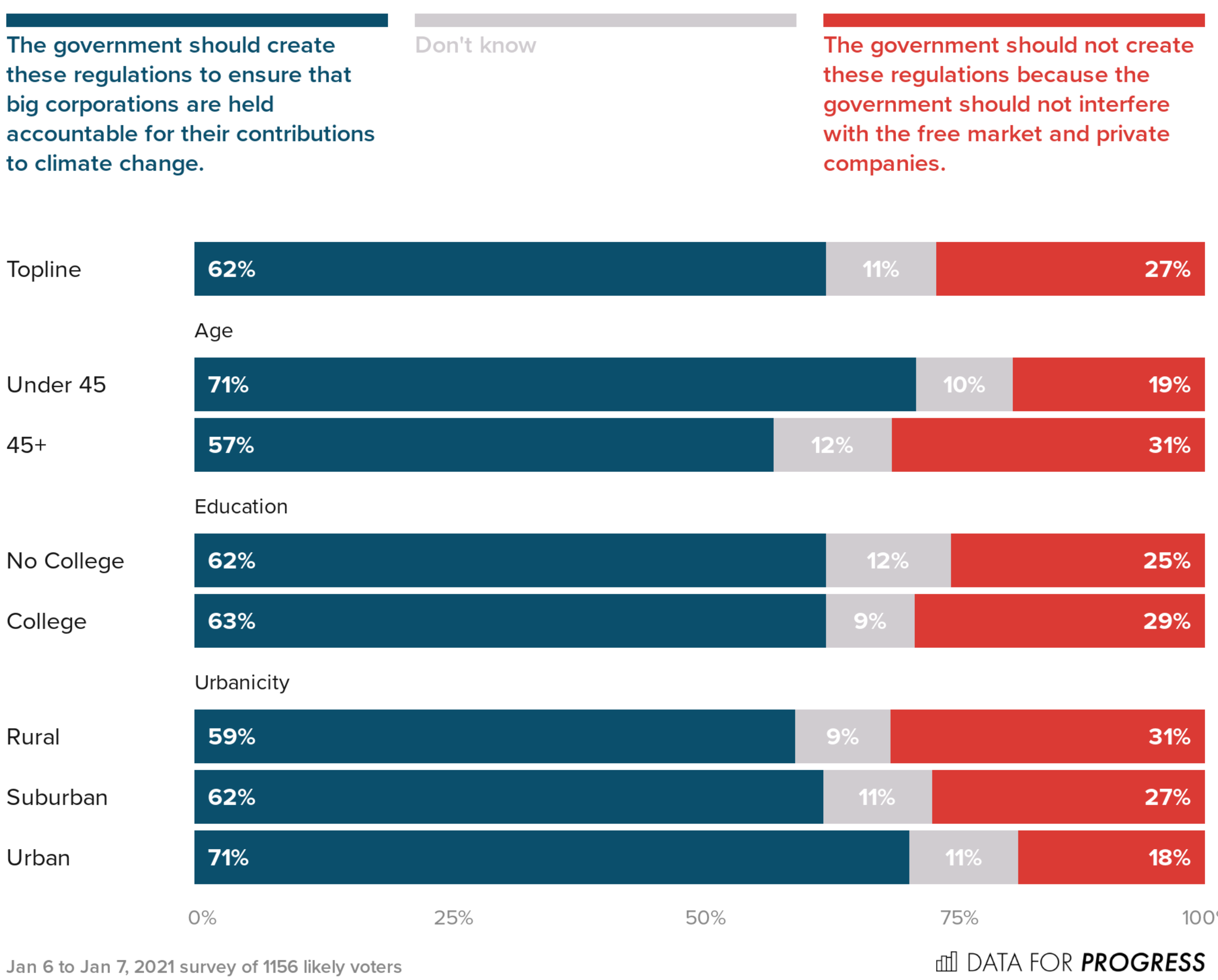


Voters Want the Government to Ensure Financial Institutions Disclose Their Investments in Industries and Projects that Drive Climate Change

Shortly before President Biden was inaugurated, Data for Progress asked voters whether they support or oppose his campaign proposal of creating new financial regulations that would require public companies to disclose climate change-related financial risks and greenhouse gas emissions in their operations and financing. By a 35-percentage-point-margin, voters agree the government should create and enforce these climate risk disclosure regulations to ensure that big banks and corporations are held accountable for their contributions to climate change.

Voters Strongly Support Requiring Public Companies to Disclose Climate Liabilities and Emissions

President-elect Joe Biden has proposed new financial regulations that would require public companies to disclose climate change-related financial risks and greenhouse gas emissions in their operations and financing. Which statement comes closer to your view, even if neither is exactly right?



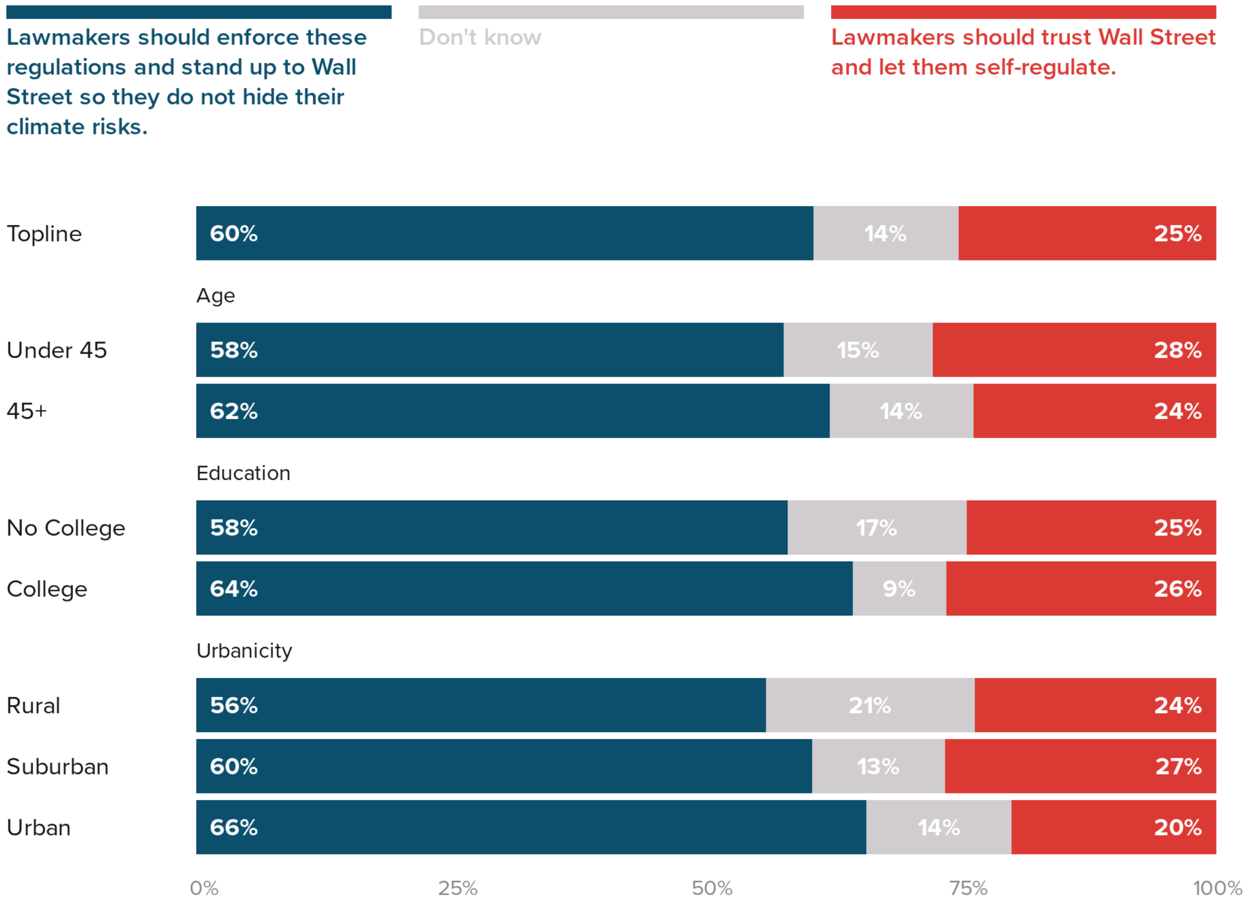
Though a majority of voters over 45 (57 percent) agree the government should create these regulations, young voters are especially enthusiastic (71 percent) about this proposal. Non-college-educated and college-educated voters express near-identical levels of support for creating these regulations (62 percent and 63 percent, respectively). While urban voters express the highest level of support for the government creating these regulations (71 percent), a majority of suburban voters (62 percent) and rural voters (59 percent) support them as well.

Soon after President Biden took office, allies of big businesses and Wall Street began speaking out in opposition to the mandatory climate risk disclosures Biden proposed on the campaign trail. In our survey, we presented voters with information about the emerging opposition to mandatory climate risk disclosures from big banks and Wall Street and asked respondents whether the federal government should regulate them or if they should be trusted to regulate themselves. We find that a majority of voters (60 percent) agree that lawmakers should enforce these risk disclosure regulations and stand up to Wall Street so they do not hide their climate risks. A mere 25 percent of voters think that lawmakers should trust Wall Street and let them self-regulate their climate risk disclosures.

Across different age groups, education levels, and geographies, voters agree that lawmakers should ignore claims of "self-regulation" and enforce mandatory climate risk disclosure regulations. Voters under 45 and over 45 express similar levels of support (58 percent and 62 percent, respectively). College-educated voters express slightly more support (64 percent) than non-college-educated voters (58 percent). Urban voters are the most supportive of lawmakers enforcing climate risk disclosure regulations (66 percent), followed by suburban voters (60 percent) and rural voters (56 percent).

Voters Want Lawmakers to Stand Up to Wall Street and Enforce Climate Disclosure Regulations

Some lawmakers are proposing new financial regulations that would require public companies to disclose financial risks and greenhouse gas emissions that contribute to climate change. Some big banks and financial institutions on Wall Street are already speaking out against these proposed regulations, saying that Wall Street should be able to self-regulate its risks and emissions that contribute to climate change. Which statement comes closer to your view, even if neither is exactly right?



Mar 17 to Mar 19, 2021 survey of 1189 likely voters

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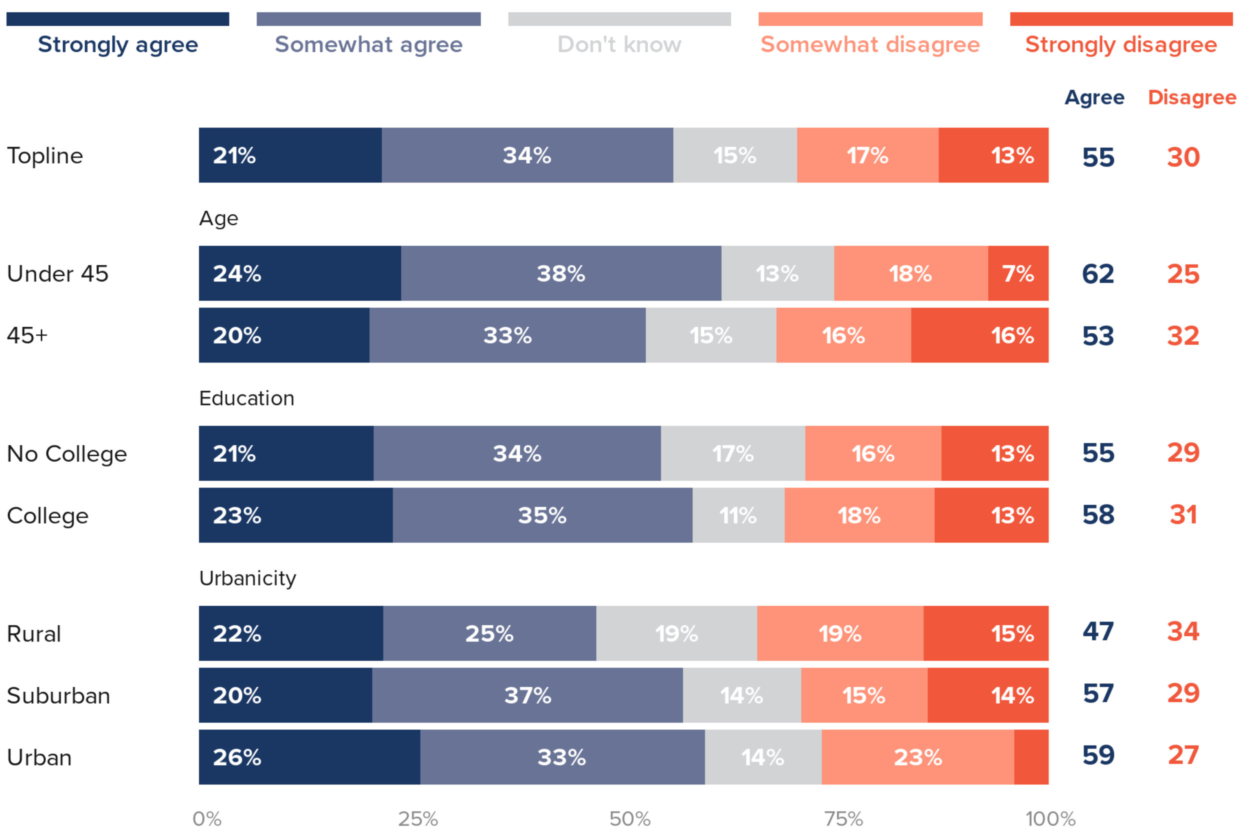
We also find that drawing a comparison between Wall Street's activities that led to the 2008 recession and their current investments in projects and industries that drive climate change resonates with voters across different age groups, education levels, and geographies. A majority of all voters (55 percent) agree that if left unchecked, Wall Street will catalyze another financial crisis, though this time it will be driven by climate change. Voters under 45 are in the most agreement with this sentiment (62 percent), though a majority of voters over 45 (53 percent) agree with it as well. Non-college-educated and college-educated voters express similar levels of agreement (55 percent and 58 percent, respectively). Among different geographies, urban voters are most in agreement (59 percent), followed by suburban voters (57 percent) and rural voters (47 percent).

Voters Agree Regulators Should Rein In Wall Street's Risky Investments that Drive Climate Change

Do you agree or disagree with the following statement:
The investments Wall Street banks are making in the fossil fuel industry are risky and speculative, just like the ones they made that led to the 2008 recession. If left unchecked, Wall Street's activities could drive another financial crisis. We need to regulate the investments that Wall Street is making in fossil fuels and other industries that contribute to climate change.



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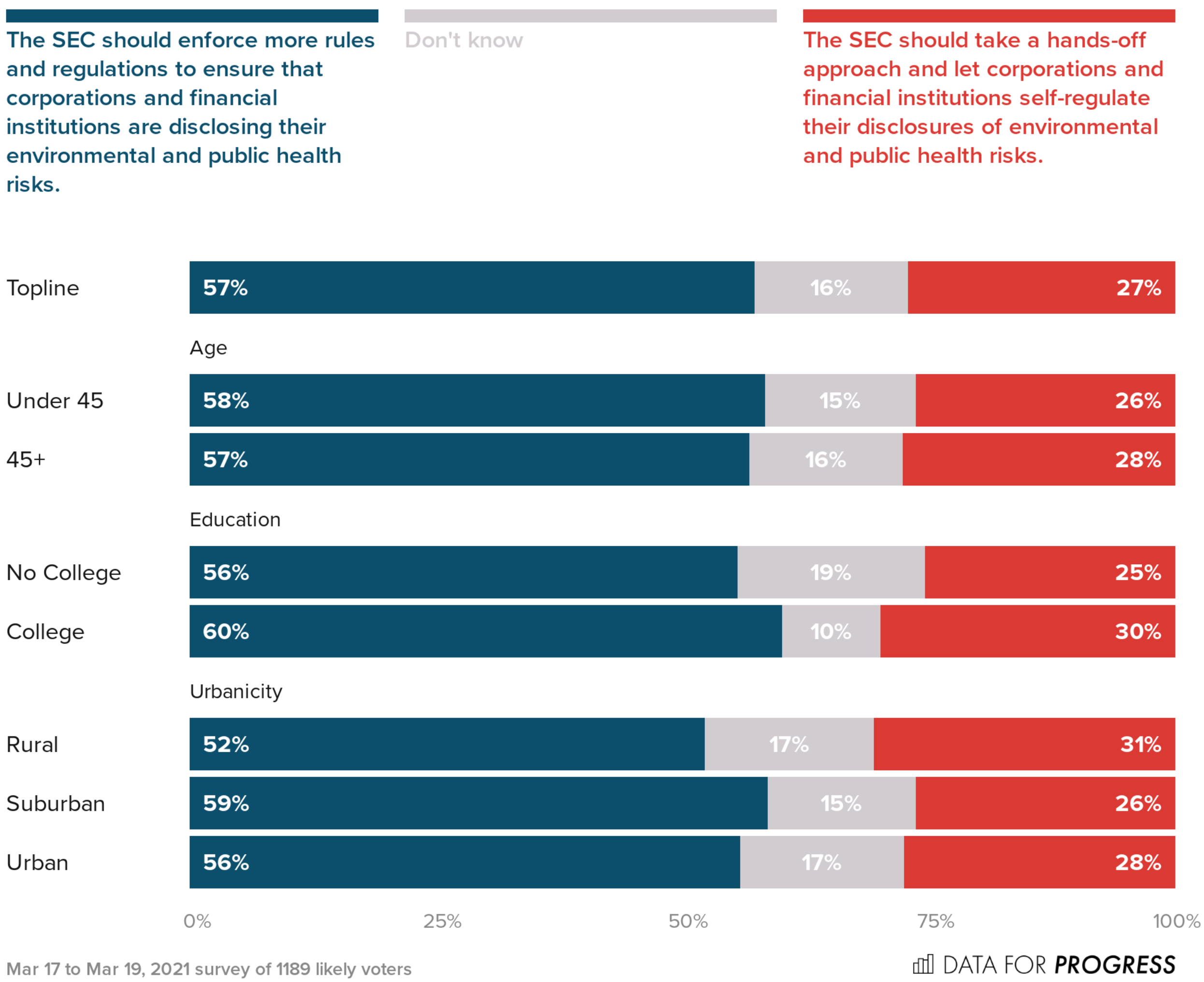
President Biden's soon-to-be-confirmed SEC chair, Gary Gensler, will play a key role in enforcing and strengthening mandatory climate, environmental, and public health risk disclosure rules. By a 30-point-margin, voters agree that under Gensler's leadership, the SEC should enforce more rules and regulations related to climate risk disclosure. Across different age groups, education levels, and geographies, voters agree the SEC should take a more hands-on regulatory approach. A majority of voters under 45 (58 percent) and over 45 (57 percent), non-college-educated (56 percent) and college-educated voters (60 percent), and urban (56 percent), suburban (59 percent), and rural (52 percent) voters all agree that Gensler and the SEC should take an active role in enforcing and strengthening disclosure rules.

Voters Want the SEC to Take an Active Role Regulating the Disclosures of Environmental and Public Health Risks

President Biden recently nominated Gary Gensler as chair of the US Securities and Exchange Commission, a federal regulatory agency that protects investors and the U.S. financial system. Should he be confirmed, which approach do you prefer Gensler takes in leading the SEC?



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Voters Support a “Whole-of-Government” Approach to Climate Finance Reforms

Along with the SEC, nearly two-thirds of all voters (63 percent) agree the Treasury and the Federal Reserve should play an active role in preventing a future climate-driven financial crisis. There is a strong consensus about the active roles the Treasury and Federal Reserve should play among voters from different age groups, education levels, and geographies. A majority of voters under 45 (65 percent) and over 45 (61 percent), non-college-educated (60 percent) and college-educated voters (67 percent), and urban (65 percent), suburban (63 percent), and rural voters (61 percent) all agree that the Treasury and Federal Reserve should play an active role in preventing a future financial crisis driven by climate change.

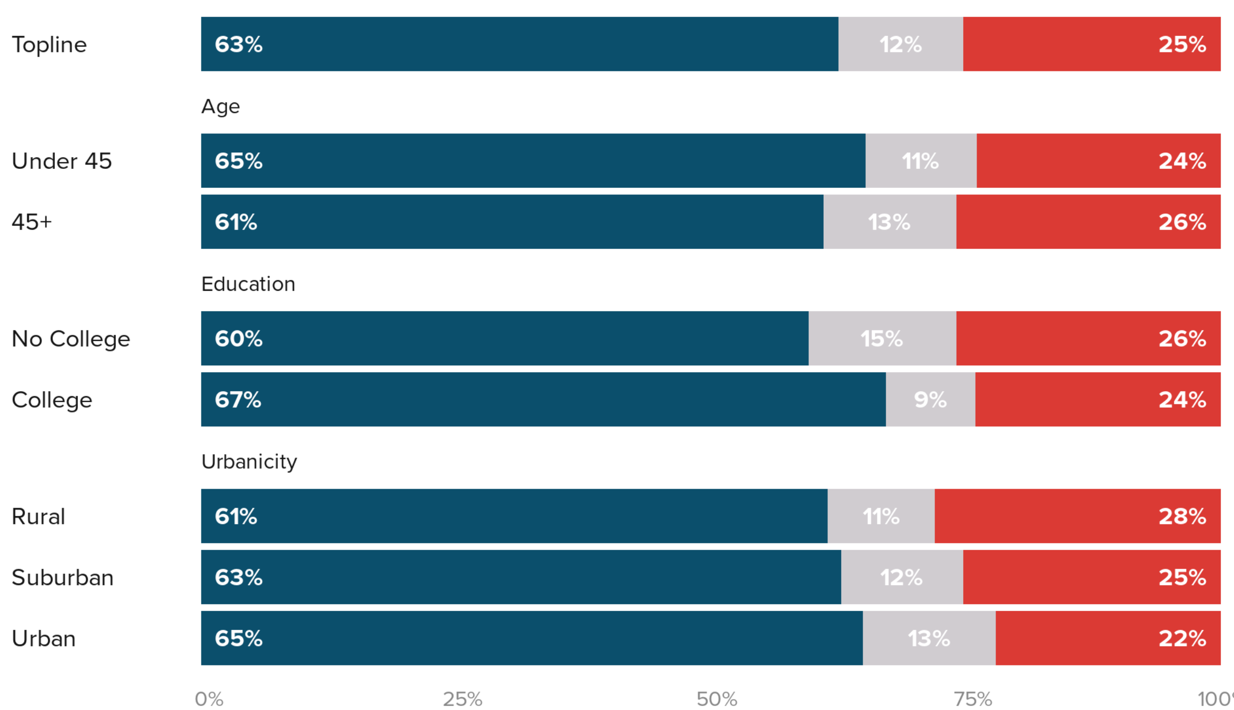
Voters Agree the Treasury and Federal Reserve Should Play an Active Role in Preventing a Climate-Driven Financial Crisis

Which statement comes closer to your view, even if neither is exactly right?

The Treasury Department and the Federal Reserve, our nation's central bank, should play an active role in protecting the financial system against a future financial crisis driven by climate change.

Don't know

The Treasury Department and the Federal Reserve, our nation’s central bank, should not play an active role in protecting the financial system against a future financial crisis driven by climate change.



Jan 6 to Jan 7, 2021 survey of 1156 likely voters

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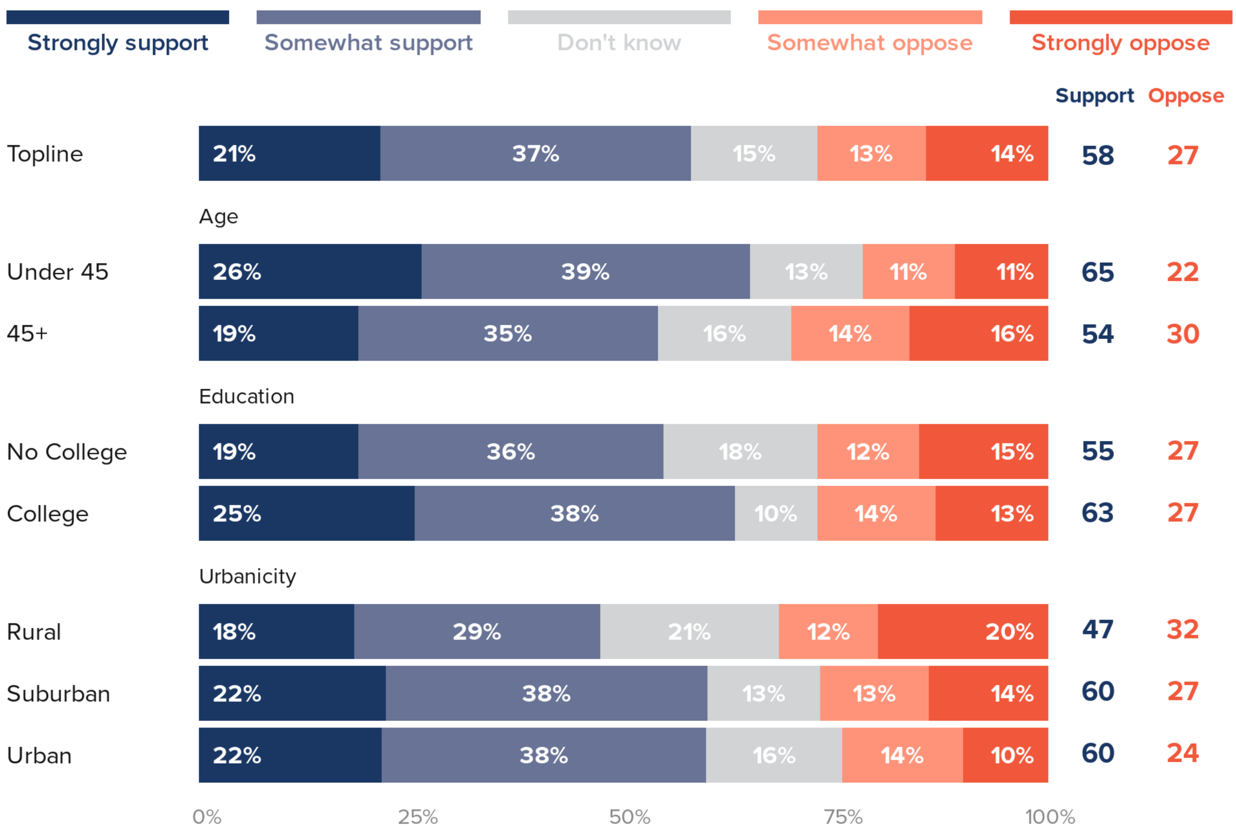
In addition to supporting an active federal regulatory approach in assessing climate financial risks, voters also support lawmakers creating new entities such as a green bank to incentivize the flow of private capital into green infrastructure and energy projects. A majority of all voters (58 percent) support Congress establishing a green bank or creating "green bonds" to incentivize these private investments. Voters under 45 are especially supportive of a green bank (65 percent), though a majority of voters over 45 (54 percent) also support this proposal. Similarly, college-educated voters are slightly more supportive of a green bank than non-college-educated voters (63 percent and 55 percent, respectively). Urban and suburban voters express equal amounts of support for a green bank (60 percent), followed by support from a plurality of rural voters (47 percent).

Voters Support the Creation of a Green Bank

Would you support or oppose Congress establishing a national green bank or creating "green bonds" to incentivize private investments in new green infrastructure and clean energy projects?



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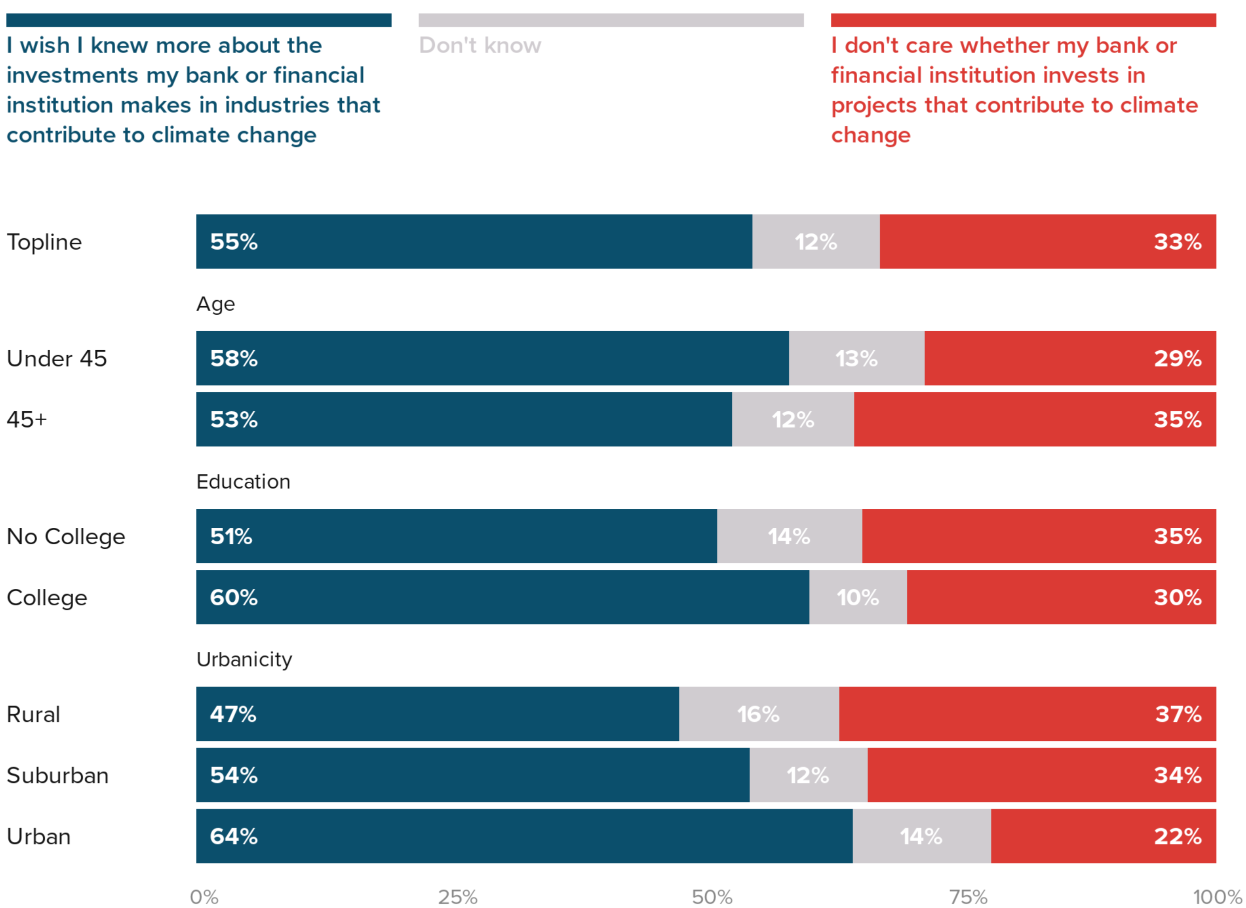
Voters Want Banks To Be Transparent and Active in Curbing Activities that Drive Climate Change

By a 22-point margin, voters say they wish they knew more about the investments their bank or financial institution makes in the industries that contribute to climate change. A majority of voters under 45 (58 percent) and voters over 45 (53 percent), as well as a majority of both college-educated voters (60 percent) and non-college-educated voters (51 percent), agree they want to know more about how their banks and financial institutions are contributing to climate change. Among voters across different geographies, nearly two-thirds of urban voters (64 percent) want to know about the investment activities of their banks and financial institutions, followed by suburban voters (54 percent) and rural voters (47 percent).

Voters Wish They Knew More About the Investments Their Banks Make in Industries that Drive Climate Change

When thinking about the investment activities of your current bank or financial institution, which statement comes closer to your view, even if neither is exactly right?



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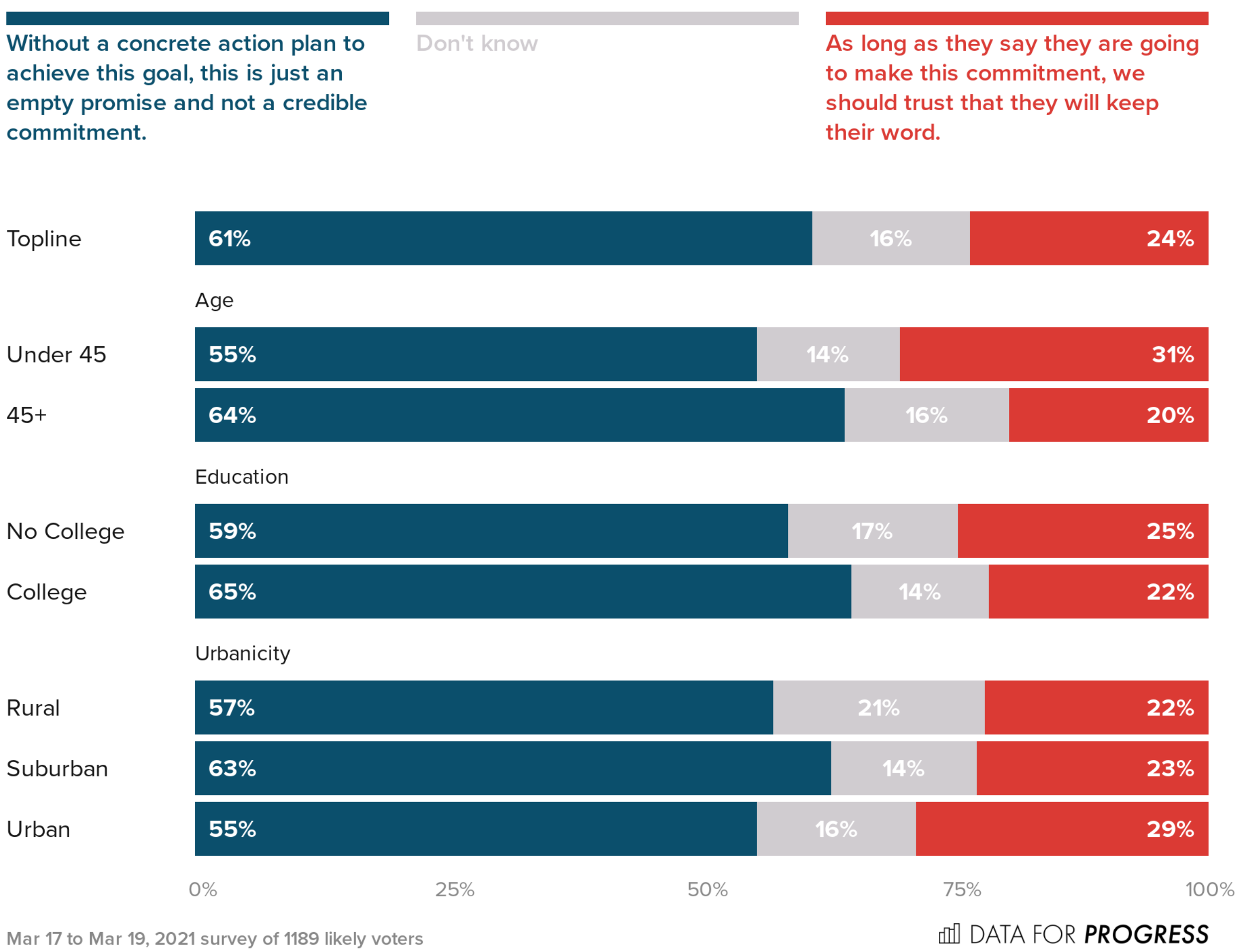
While many major banks such as Citi, Bank of America, Wells Fargo, and Goldman Sachs have announced commitments to reach net-zero greenhouse gas emissions by 2050, many of these commitments have been likened to "strategic visions" rather than detailed action plans. The latest annual *Banking on Climate Chaos* report shows that banks have continued to put trillions of dollars behind fossil fuels in the years since the Paris Agreement. As a result, the report concluded that the top U.S. banks are the biggest fossil fuel funders in the world, with JPMorgan Chase topping the list by a wide margin.

In our survey, we asked voters whether they trust banks and financial institutions to keep their word on their climate commitments, or whether these institutions should release concrete action plans for how they'll achieve their goals. By a 37-point margin, voters agree that without a concrete action plan to achieve net-zero emissions, banks are just making empty promises and are not credibly committing to this goal. Notably, voters over 45 are more dubious than younger voters about banks fulfilling their

Voters Want Financial Institutions to Back Up Net-Zero Commitments with Action Plans

If a major bank or financial institution commits to addressing climate change by reaching net-zero carbon emissions by 2050 but does not release an action plan on how they will achieve this goal, which statement comes closer to your view?



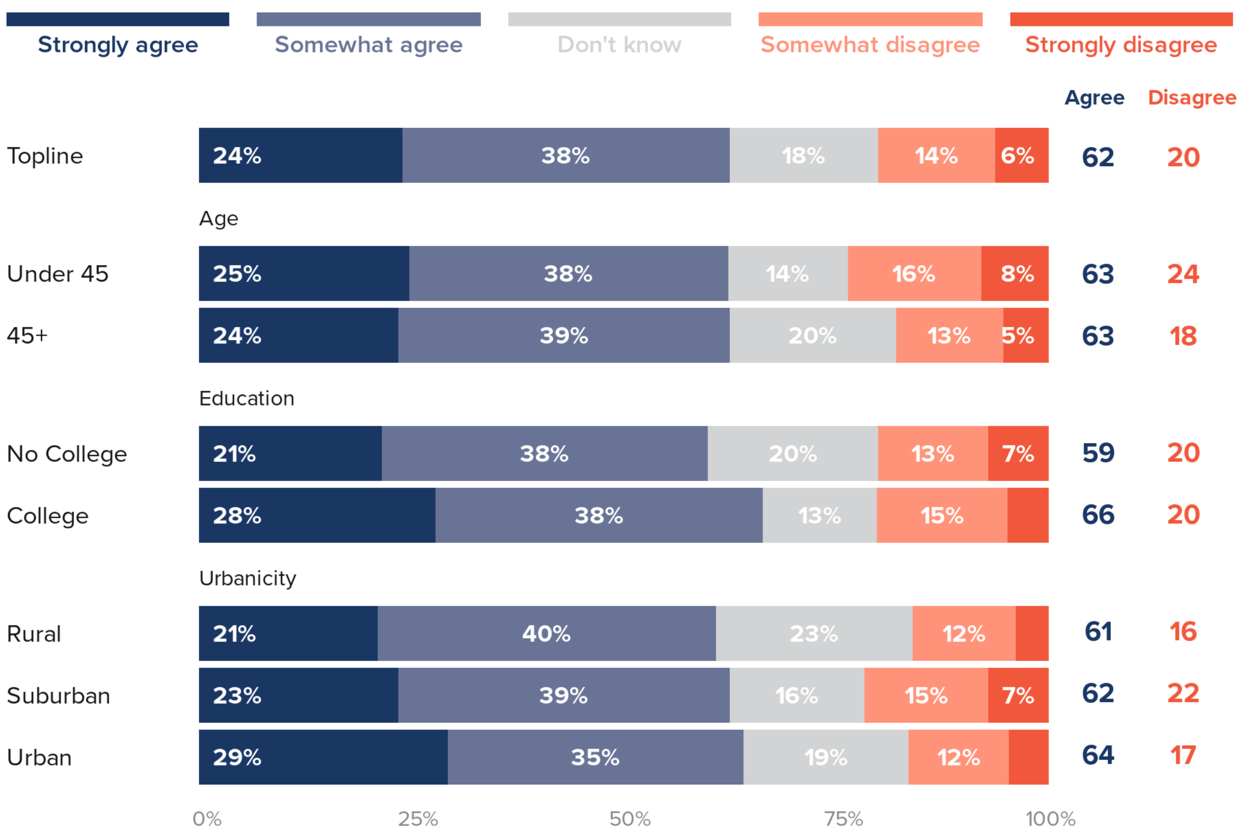
Mar 17 to Mar 19, 2021 survey of 1189 likely voters net-zero commitments, with 64 percent agreeing that banks should back up their net-zero commitments with concrete action plans, compared with 55 percent of voters under 45. Additionally, college-educated voters are slightly more in agreement than non-college-educated voters that net-zero commitments should include concrete action plans (65 percent and 59 percent, respectively). While suburban voters are most supportive of backing up net-zero commitments with concrete action plans (63 percent), rural voters and urban voters follow closely behind (57 percent and 55 percent, respectively).

For decades, banks and other financial institutions have invested in industries that drive climate change, most notably the fossil fuel industry. Now, by a 42-point margin, voters agree that these same banks should make investments in the communities that have been most significantly impacted by these industries (62 percent agree, 20 percent disagree).

Consensus is strong across different age groups, education levels, and geographies that banks should make investments in communities that have been most significantly impacted by the fossil fuel industry. A majority of voters under 45 and over 45 (63 percent each), college-educated voters (66

Voters Think Banks Should Invest in Frontline Communities

When thinking about banks that currently finance industries that contribute to climate change like fossil fuels, do you agree or disagree that these banks should make investments in the communities that have been most significantly impacted by these industries?



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percent) and non-college-educated voters (59 percent), and urban (64 percent), suburban (62 percent), and rural (61 percent) voters all agree that banks that have invested in fossil fuels and other industries that drive climate change should now make investments in communities on the frontlines of pollution, extraction, and climate change.

Conclusion

Climate financial reforms are overwhelmingly popular among voters across different age groups, education levels, and geographies. Voters want the federal government — including the SEC, Treasury, Federal Reserve, and others — to utilize the tools at their disposal to rein in banks and other financial institutions so they do not cause future climate-driven financial crises. While banks and financial institutions are already making claims they can "self-regulate" their climate risks, voters want the government to enact and enforce mandatory disclosure rules so Wall Street does not hide behind their investments that are driving climate change. Voters also want to see banks solidify their commitments to reach net-zero emissions by backing up these pledges with action plans and making investments in frontline communities. As lawmakers and regulators look to enact new climate financial reforms, they should feel confident knowing that voters broadly support these actions.

SURVEY METHODOLOGY

From March 17 to March 19, 2021, Data for Progress conducted a survey of 1,189 likely voters nationally using web panel respondents. The sample was weighted to be representative of likely voters by age, gender, education, race, and voting history. The survey was conducted in English. The margin of error is ±3 percentage points.

From January 6 to January 7, 2021, Data for Progress conducted a survey of 1,156 likely voters nationally using web panel respondents. The sample was weighted to be representative of likely voters by age, gender, education, race, and voting history. The survey was conducted in English. The margin of error is ±3 percentage points.

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