

A decorative graphic consisting of a large, thin, light green arc that starts near the top right and curves down towards the bottom right. It is intersected by a horizontal line and a vertical line, both of which have small yellow squares at their intersection points. 

# **Consumer Financial Protection: Opinion of People Aged 50+**

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AARP collected the data for this project through a telephone survey administered by Social Science Research Solutions (SSRS). This report was written by Colette Thayer, Senior Research Advisor, AARP Strategic Issues Research. All media inquiries about this report should be directed to (202) 434-2560. For all other questions, contact the author at [cthayer@aarp.org](mailto:cthayer@aarp.org).

AARP recently commissioned a nationwide survey to understand public opinion on consumer financial protection issues. The survey was conducted by Social Science Research Solutions (SSRS) from January 14 – January 24, 2010 among a nationally representative sample of 815 respondents at least 50 years old. The margin of error is +/- 3.3% at the 95% confidence level. The public shows nearly unanimous support for numerous consumer financial protections.

The following are key findings from the survey of adults aged 50+:

- 96% favor requiring banks to explain the terms and conditions of loans, including mortgages, and credit card debt in plain language people can understand. Ninety-one percent “strongly” favor this. There is strong support for this requirement across all political parties with over 9 in 10 Republicans (98%), Democrats (95%), and Independents (96%) favoring it. Support also is spread geographically, with over 9 in 10 people in each region of the country favoring it (96% in the northeastern region, 97% in the north-central region, 97% in the southern region, and 91% in the western region).
- 93% favor requiring companies that manage 401(k) retirement plans to explain the fees they charge to participants and to clearly state those fees on participants’ annual statement. Eighty-six percent “strongly” favor this. There is strong support for this requirement across all political parties with over 9 in 10 Republicans (93%), Democrats (94%), and Independents (92%) favoring it. Support also is spread geographically, with over 9 in 10 people in each region of the country favoring it (92% in the northeastern region, 95% in the north-central region, 91% in the southern region, and 93% in the western region).
- 93% favor enabling consumers to check an investment advisor’s record to see whether they have any prior violations or have been charged with professional misconduct. Eighty-one percent “strongly” favor this. There is solid support for this requirement across all political parties with nearly 9 in 10 Republicans (95%), Democrats (89%), and Independents (95%) favoring it. Support also is spread geographically, with almost 9 in 10 people in each region of the country favoring it (94% in the northeastern region, 95% in the north-central region, 93% in the southern region, and 88% in the western region).
- 92% favor requiring investment companies to disclose the costs, risks, and benefits of all the financial products they market and sell using plain language and a user-friendly format. Eighty-two percent “strongly” favor this. There is strong support for this requirement across all political parties with over 9 in 10 Republicans (91%), Democrats (91%), and Independents (95%) favoring it. Support also is spread geographically, with at least 9 in 10 people in each region of the country favoring it (93% in the northeastern region, 94% in the north-central region, 90% in the southern region, and 92% in the western region).

- 90% favor holding financial salespeople who engage in deceptive marketing accountable. Eighty-four percent “strongly” favor this. There is strong support for this requirement across all political parties with nearly 9 in 10 Republicans (92%), Democrats (89%), and Independents (90%) favoring it. Support also is spread geographically, with over 8 in 10 people in each region of the country favoring it (90% in the northeastern region, 92% in the north-central region, 89% in the southern region, and 87% in the western region).
- 89% favor protecting people from predatory lending practices, such as excessive fees and penalties, on products ranging from mortgages to credit cards. Seventy-eight percent “strongly” favor this. There is solid support for this requirement across all political parties with over 8 in 10 Republicans (86%), Democrats (91%), and Independents (91%) favoring it. Support also is spread geographically, with over 8 in 10 people in each region of the country favoring it (93% in the northeastern region, 88% in the north-central region, 89% in the southern region, and 86% in the western region).
- Two-thirds (66%) favor allowing states to enact consumer protection laws that are stronger than federal law. This figure is fairly consistent across political parties (68% of Republicans, 67% of Democrats, and 66% of Independents favor it) and across geographic regions (66% of people aged 50+ in the northeastern region, 70% in the north-central region, 64% in the southern region, and 67% in the western region favor it).
- Approximately six in ten people (59%) do not think people and banks that sell financial products always make sure the product is suitable for the individual buying it. This sentiment is held by at least half of Republicans (64%), Democrats (55%), and Independents (59%). This sentiment is also spread geographically, as 57% of people in the northeastern region, 61% in the north-central region, 55% in the southern region, and 63% in the western region favor it.

The survey suggests a public appetite for consumer financial protections. Consumer support for such protections is consistently high across political parties and throughout all regions of the country as well.

## Annotated Questionnaire

*This study was conducted via telephone by SSRS, an independent research company. Interviews were conducted from January 14 – January 24, 2010 among a nationally representative sample of 815 respondents age 50 and older. The margin of error for total respondents is +/-3.43% at the 95% confidence level. More information about SSRS can be obtained by visiting [www.ssrs.com](http://www.ssrs.com).*

I'm going to mention a number of different proposals that could be used to provide greater oversight and regulation of the financial sector. For each one, please tell me whether you would strongly favor, somewhat favor, somewhat oppose, or strongly oppose it.

**CP-1 Do you favor or oppose (INSERT ITEM)? And do you strongly or somewhat (FAVOR/ OPPOSE)**

- a. **Companies that manage 401(k) retirement plans should be required to explain the fees they charge you and those fees should be clearly stated on your annual statement**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
93	86	6	4	2	2	3	*

- b. **Investment companies should be required to disclose the costs, risks, and benefits of all the financial products they market and sell using plain language and a user-friendly format**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
92	82	10	6	3	3	2	*

- c. **Consumers should be able to check an investment advisor's record to see whether they have any prior violations or have been charged with professional misconduct**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
93	81	11	6	3	3	1	*

- d. **Banks should be required to explain the terms and conditions of loans, including mortgages, and credit card debt in plain language you can understand**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
96	91	4	3	1	2	1	--

- e. **People should be protected from predatory lending practices, such as excessive fees and penalties, on products ranging from mortgages to credit cards**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
89	78	11	9	3	6	2	*

f. **Financial salespeople who engage in deceptive marketing should be held accountable**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
90	84	5	9	4	5	1	*

g. **States should be allowed to enact consumer protection laws that are stronger than federal law**

FAVOR			OPPOSE			Don't know	Refused
NET	Strongly	Somewhat	NET	Somewhat	Strongly		
66	41	26	23	12	11	11	*

CP-2 **Do you think people and banks that sell financial products always make sure the product is suitable for the individual buying it?**

Yes	No	Don't know	Refused
36	59	6	--