

MEMORANDUM

TO: American Council for Capital Formation
FROM: FTI Consulting, Inc.
DATE: January 21, 2016
RE: Results from a survey conducted in Iowa on corn ethanol and the RFS

This memo presents the results of an Iowa statewide poll conducted between January 11 and January 17, 2016 by FTI Consulting. The poll was conducted among 700 Iowa registered voters aged 18+, with 350 reached via cell phone and 350 reached via landline. The margin of error for the N=700 sample is plus or minus 3.7 percentage points. Poll respondents were contacted randomly from an Iowa file of regularly updated likely caucus and general election voter records and the survey composition reflects the geographic and demographic makeup of the Iowa electorate.

SUMMARY

Despite what some pro-ethanol groups and organizations may claim about the importance of the Renewable Fuel Standard (RFS) and the corn ethanol industry to the state of Iowa and its influence over the upcoming Iowa caucuses, it is clear from our research that, for the vast majority of Iowans, the RFS is simply not a top-tier issue of concern.

When asked to compare the RFS and corn ethanol mandates to other issues they may be following, Iowans ranked the RFS dead last among a list of 10 issues we surveyed. Some of the issues Iowans deemed to be more important than the RFS include: immigration, ISIS, jobs, the national debt, welfare reform, Obamacare, and gun rights. In fact, just 19% of Iowans say the RFS and federal corn ethanol mandates are very important to them, while 45% say they are somewhat important, and more than one-third (35%) say they are not important at all.

A majority of Iowans indicated they do not want presidential candidates to spend a lot of time talking about federal ethanol mandates. This finding is consistent across party lines, as 61% of Republicans, 59% of Independents, and 54% of Democrats do not want candidates talking about the RFS and/or federal ethanol mandates.

As the Iowa caucuses near, most Iowans say they don't know the presidential candidates' position on the RFS and corn ethanol, and most don't care. Only one-third (33%) say they know if any of the major presidential candidates support or oppose the RFS. Furthermore, whether or not a presidential candidate supports or opposes the RFS has little to no impact on their likelihood to vote for that individual. All Iowans, regardless of party affiliation, hold this view: 56% of Republicans, 66% of Independents, and 67% of Democrats say a candidate's position on this issue will not affect the likelihood of that individual receiving their vote. Younger Iowans, aged 18-49, are swayed even less by a candidate's position on the RFS, with 71% saying it has little to no impact.

KEY FINDINGS

1. The majority of lowans do not view the RFS and federal corn ethanol mandates as top-tier issues worthy of their time or attention.

- The RFS and federal corn ethanol mandates fall outside of the top three issues of concern and interest for the overwhelming majority of lowans (94%).
 - Half (50%) of respondents say they either do not care much about or do not care at all about the RFS and federal corn ethanol mandates.
 - This is consistent across party lines, as 46% of Republicans, 49% of Independents, and 52% of Democrats agree.
- Nearly three-quarters (73%) care about the RFS and federal corn ethanol mandates today either the same amount or less than they did five to 10 years ago.
 - Just over a quarter (27%) say they care about the RFS and federal corn ethanol mandates more today than they did five to 10 years ago.
- Less than two-in-ten (19%) say the RFS and federal corn ethanol mandates are very important to them on a personal level, while 45% say they are somewhat important, and more than one-third (35%) say they are not important.
- Less than four-in-ten (39%) say they want presidential candidates to spend a lot of time talking about federal ethanol mandates, while 57% say they do not want candidates to talk about the topic.
 - This sentiment is consistent across party lines: Only 37% of Republicans, 38% of Independents, and 42% of Democrats want to hear presidential candidates talking about the RFS and/or federal ethanol mandates.
 - Lowans would prefer that presidential candidates spend more time talking about all other topics tested, including immigration (82%), ISIS (81%), job creation (81%), and climate change (51%).

2. Most lowans are unaware whether major presidential candidates support or oppose the RFS. A candidate's position on this issue has little to no impact on the likelihood they will vote for that individual.

- Only one-third (33%) know if any of the major presidential candidates support or oppose the RFS and federal corn ethanol mandates.

- This holds true across political parties; only 39% of Republicans, 30% of Independents, and 28% of Democrats are aware of whether candidates support or oppose the RFS.
 - Only one-quarter (25%) say they know which candidate recently expressed opposition to increasing federal ethanol mandates and called for doing away with the RFS (Sen. Ted Cruz).
 - Just 18% of Iowa voters, 27% of Republicans, and 12% of Democrats correctly named Sen. Cruz as the candidate who made these remarks.
 - Nearly two-thirds (63%) say a candidate’s position on the RFS and federal corn ethanol mandates **has little to no impact** on their likelihood to vote for that individual.
 - Regardless of party affiliation, most Iowa voters aren’t influenced by a candidate’s position on the RFS: 56% of Republicans, 66% of Independents, and 67% of Democrats say a candidate’s position on this issue has little to no impact.
 - Nearly one-third (32%) say it has no impact at all, while it has a great deal of impact for less than one-in-ten (9%).
 - Younger Iowans aged 18-49 are swayed even less by a candidate’s position on the RFS and federal corn ethanol mandates, as nearly three-fourths (71%) say it has little to no impact.

3. Approximately half of Iowans are familiar with the RFS, but only about one-in-ten are very familiar.

- Half of Iowans (51%) say they are familiar with the RFS. Only 12% are very familiar, while 22% say they are not at all familiar.
 - Younger Iowans aged 18-49 are less familiar than those aged 50+ (43% vs. 59%, respectively).
- After being provided with some information on the RFS, the percentage of Iowans who say they are familiar with federal corn ethanol mandates climbs to 69%.
 - Yet, just two-in-ten (21%) say they are very familiar.

4. Despite significant coverage in local and national newspapers, television stations, and radio, the majority of Iowans have not seen or heard any news recently related to the RFS and federal corn ethanol mandates.

- About one-third (36%) have seen news coverage related to the RFS and federal corn ethanol mandates recently.
 - Younger Iowans aged 18-49 are less likely to have seen news coverage of the RFS and federal corn ethanol mandates than older Iowans aged 50+ (28% vs. 42%, respectively).

- 5. Iowans generally believe the Iowa state economy and their local economy are in good shape. Regarding the RFS's role in the economy, they believe it is important to the state economy but view it as less critical to their local economy.**
- More than half (55%) rate their state economy as “excellent” or “good,” while 39% rate it as “fair,” and 6% rate it as “poor.”
 - Iowa voters are similarly positive about the economy in their local area. Nearly six-in-ten (59%) rate it as “excellent” or “good,” while 34% rate it as “fair,” and 7% rate it as “poor.”
 - About one-quarter (26%) say that their local economy is “getting better,” 16% say it is “getting worse,” and the majority (58%) say it is “staying about the same.”
 - While 80% say the RFS and corn ethanol industry is critical to Iowa’s economy, a smaller percentage (64%) believe the RFS and corn ethanol industry are critical to their community’s economy.
 - The RFS and corn ethanol industry doesn’t directly benefit the majority of Iowans. Less than half (45%) agree with the statement “the RFS and corn ethanol industry directly benefit me, my family, and/or my friends,” while 53% disagrees.

About FTI Consulting

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