



TO Jamie Court
Consumer Watchdog

FROM Paul Maslin and Rick Sklarz
FM3 Research

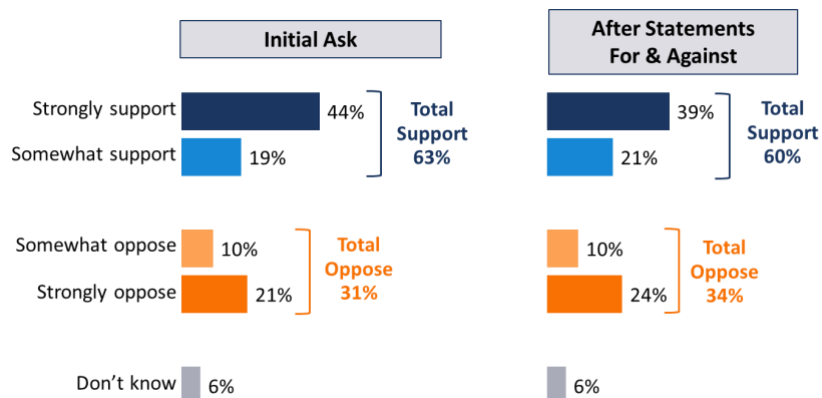
RE: Summary of California Oil Refinery Windfall Survey Results

DATE November 7, 2022

A surveyⁱ of California voters finds the public supports state government enacting a windfall profits cap and pricing gouging rebate on California oil refineries when gasoline prices reach an abnormally high level and oil refiners post abnormally high profits. **As Figure 1 shows, six in ten voters back this proposal both before and after hearing arguments from proponents and opponents and roughly three in ten oppose it.** It is also notable that before and after the messages from both sides, four in ten voters “strongly” support the proposal, which is significantly higher than those voters who “strongly” oppose. (As shown below, the survey tested two descriptions of the proposal -- “a price gouging rebate” and “a windfall profits cap” – and there was no statistically significant difference in voter response.)

Figure 1: Support/Oppose CA Oil Refinery Windfall Rebate/Profits Cap

Question Wording: “As you may know, Governor Newsom called a special session of the State Legislature to address the high price of gasoline in California. During this special session, one proposal being considered by the Governor and others is (ASK SPLIT SAMPLE A: “a price gouging rebate”) (ASK SPLIT SAMPLE B ONLY: “a windfall profits cap”) on oil refineries in California when the price of gasoline reaches an abnormally high level in California and oil refiners post abnormally high profits. Under this proposal, the state would set a limit on how much oil companies can profit from refining oil into gasoline, cap those profits and return these excess profits to taxpayers via rebates — potentially similar to those the state has begun depositing in millions of residents’ accounts this month.”



The survey results also find broad support for the proposal across the California electorate. The most robust support for an oil refinery windfall rebate/profits cap is among Democrats (86%); a majority of nonpartisans (56%) also favor as do one in four Republicans (27%). Regionally, seven in ten LA County (69%) and Bay Area (69%) voters are supportive as are majorities in all other parts of the state, including 54% of Inland Empire residents.

Latinos and all voters of color support at the two-thirds level (67%) and six in ten (61%) white voters back the idea. Finally, seven in ten voters ages 18-39 approve an oil refinery windfall rebate/profits cap and six in ten voters ages 40 and older are supportive.

Voters identify proponent statements in favor of the proposal as more persuasive than those from opponents.

The survey presented an equal number of arguments for and against the oil refinery windfall rebate/profits cap, and statements in support were all more impactful. In particular, identifying the dramatic increase in oil companies' profits over the past year and how prices have increased far beyond a reasonable rate resonates with six in ten voters as convincing reasons to support the proposal. In comparison, opponents' messages were less impactful as just about half consider these statements convincing.

These survey results suggest that California voters back the idea of establishing a windfall rebate/profits cap on oil refineries when their profits exceed a reasonable amount, with the revenue returned back to Californians in the form of direct rebate payments. Furthermore, these findings suggest that voter opinion is quite firm as six in ten favor it initially and following statements for and against, and the idea has a broad base of support demographically and geographically.

¹ **Survey Methodology:** From October 22-27, 2022, FM3 interviewed 895 California voters likely to cast a ballot in the November 2022 election. The respondents were contacted via email, text messaging and landline and cell phones with the interviews conducted online and with live interviewers. Interviews were conducted in English and Spanish. The sample margin of error for the results is +/-3.5% at the 95% confidence level; the margin of error for population subgroups will be higher. Due to rounding, some percentages may not sum to 100%.