

LOBBY WATCH



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Cash Rich vs. Cash Poor:

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Tough Predatory-Loan Bill Lands in Mortgaged House Its Members Got \$1.4 Million from Industry. Speaker Claims 10¢ of Each Payday Dollar.

Senator John Carona spent much of the session pushing minimalist predatory-loan reforms, arguing that that's all that would be tolerated by the loan sharks who distributed [\\$4 million in campaign funds](#). So it was a shocker April 22 when a 24-6 Senate supermajority stampeded to amend Carona's handiwork with tough predatory-loan reforms.

Those reforms now must run what is likely to be an even more savage gauntlet through the House. *Lobby Watch* recently [reported](#) that predatory lenders invested more money in House Speaker Joe Straus than any other official. Since 2009 the industry gave \$187,810 to Governor Rick Perry, \$232,500 to Lieutenant Governor David Dewhurst and \$311,516 to Straus. It gave another \$48,000 to the Texas House Leadership Fund, which defends Straus's Speakership. Ten cents of every political dollar that predatory lenders spent in Texas in recent years went to Straus or to his leadership PAC.

The table on the next page shows industry funding to all 150 members of the House.

Excluding the Speaker, predatory lenders gave the average House member \$7,138. The 44 representatives listed in **red** collected more than 120 percent of this industry average. They include Straus-appointed House Financial Services Chair Mike Villareal, as well as Gary Elkins, the House's resident payday lender. At the other end of the spectrum, 93 members listed in **green** received less than 80 percent of the industry's average House payout

Trevor Ahlberg, who heads Irving-based Cottonwood Financial and the Cash Store, sponsored the biggest House paydays. The \$399,200 that he gave to House members surpasses what they received from trade groups such as the Texas Consumer Finance Association or the Texas Consumer Lenders PAC.¹ Ahlberg gave this money to 82 members, who constitute their own House majority. He gave his biggest House payday of \$45,000 to Straus, followed by \$16,000 to Garnet Coleman and \$14,500 to Dan Branch, both members of the Speaker's leadership team.

House Predatory-Loan Contributions, 2009 Through 2012

Payday Amount	House Member	Dist.	Favorite Loan Shark(s)
\$311,516	Straus, Joe (R)	121	TX Consumer Lenders PAC
\$53,500	Hunter, Todd (R)	32	Rod/Leslie Aycox (Select Mgmt. Resources)
\$50,500	*Flynn, Dan (R)	2	Trevor Ahlberg (Cottonwood Fin'l)
\$38,500	Geren, Charlie (R)	99	TX Consumer Lenders PAC
\$30,500	Harper-Brown, Linda (R)	105	Trevor Ahlberg (Cottonwood Fin'l)
\$29,500	Branch, Dan (R)	108	Trevor Ahlberg (Cottonwood Fin'l)
\$27,250	Anchia, Rafael (D)	103	Trevor Ahlberg (Cottonwood Fin'l)
\$27,000	Elkins, Gary (R)	135	EZCorp. Inc.
\$25,500	Pitts, Jim (R)	10	Trevor Ahlberg (Cottonwood Fin'l)
\$25,000	*Anderson, Charles (R)	56	Trevor Ahlberg (Cottonwood Fin'l)
\$24,500	Darby, Drew (R)	72	Trevor Ahlberg (Cottonwood Fin'l)
\$21,000	Parker, Tan' (R)	63	Ace Cash Express PAC
\$17,500	Hilderbran, Harvey (R)	53	Trevor Ahlberg (Cottonwood Fin'l)
\$17,000	Carter, Stefani (R)	102	Trevor Ahlberg (Cottonwood Fin'l)
\$17,000	Thompson, Senfronia (D)	141	Trevor Ahlberg (Cottonwood Fin'l)
\$16,300	Orr, Rob (R)	58	Trevor Ahlberg/ TX Assn. of Pawnbrokers
\$16,100	*Villarreal, Mike (D)	123	TX Consumer Lenders PAC
\$16,000	Cook, Byron (R)	8	Trevor Ahlberg (Cottonwood Fin'l)
\$15,500	Otto, John (R)	18	Trevor Ahlberg (Cottonwood Fin'l)
\$15,250	King, Tracy (D)	80	Trevor Ahlberg (Cottonwood Fin'l)
\$14,700	Lucio III, Eddie (D)	38	TX Consumer Lenders PAC
\$14,500	Martinez Fischer, Trey (D)	116	Trevor Ahlberg (Cottonwood Fin'l)
\$14,030	Taylor, Nicholas 'Van' (R)	66	Trevor Ahlberg (Cottonwood Fin'l)
\$14,000	Bohac, Dwayne (R)	138	Trevor Ahlberg (Cottonwood Fin'l)
\$13,800	Gooden, Lance (R)	4	Trevor Ahlberg (Cottonwood Fin'l)
\$13,500	Sheets, Kenneth (R)	107	Trevor Ahlberg (Cottonwood Fin'l)
\$13,000	Turner, Christopher (D)	101	Trevor Ahlberg (Cottonwood Fin'l)
\$12,500	Murphy, Jim (R)	133	Trevor Ahlberg (Cottonwood Fin'l)
\$12,000	Oliveira, Rene (D)	37	TX Consumer Lenders PAC
\$12,000	Ritter, Allan (R)	21	Trevor Ahlberg (Cottonwood Fin'l)
\$11,500	Coleman, Garnet (D)	147	Trevor Ahlberg (Cottonwood Fin'l)
\$11,500	Menendez, Jose (D)	124	TX Consumer Finance Assn.
\$11,250	Workman, Paul (R)	47	TX Consumer Lenders PAC
\$11,000	Guillen, Ryan (D)	31	TX Consumer Lenders PAC
\$10,950	Creighton, Brandon (R)	16	Tracy Young (TitleMax)
\$10,500	Davis, Yvonne (D)	111	Trevor Ahlberg (Cottonwood Fin'l)
\$10,000	Huberty, Dan (R)	127	Trevor Ahlberg (Cottonwood Fin'l)
\$10,000	*Laubenberg, Jodie (R)	89	Trevor Ahlberg (Cottonwood Fin'l)
\$9,750	Dale, Anthony (R)	136	TX Consumer Lenders PAC
\$9,500	Crownover, Myra (R)	64	Trevor Ahlberg (Cottonwood Fin'l)
\$9,500	Isaac, Jason A. (R)	45	Trevor Ahlberg (Cottonwood Fin'l)
\$9,500	Lozano, J.M. (R)	43	TX Consumer Lenders PAC
\$8,750	Kuempel, John (R)	44	Trevor Ahlberg (Cottonwood Fin'l)
\$8,600	Miller, Doug (R)	73	TX Consumer Finance Assn.
\$8,500	Zerwas, John (R)	28	Trevor Ahlberg (Cottonwood Fin'l)
\$7,750	Paddie, Chris (R)	9	Trevor Ahlberg (Cottonwood Fin'l)
\$7,400	*Burkett, Cindy (R)	113	Trevor Ahlberg (Cottonwood Fin'l)
\$7,250	Farney, Marsha (R)	20	Trevor Ahlberg (Cottonwood Fin'l)
\$7,138	HOUSE AVERAGE		(EXCLUDING SPEAKER STRAUS)
\$7,000	Keffer, James (R)	60	Trevor Ahlberg (Cottonwood Fin'l)
\$7,000	Thompson, Edward (R)	29	Trevor Ahlberg (Cottonwood Fin'l)
\$6,750	Ashby, Trent (R)	57	Trevor Ahlberg (Cottonwood Fin'l)
\$6,750	Bonnen, Greg (R)	24	Trevor Ahlberg (Cottonwood Fin'l)

\$6,500	Eiland, Craig (D)	23	3-way tie
\$6,500	Sheffield, Ralph (R)	55	Trevor Ahlberg/TX Consumer Lenders PAC
\$6,250	Villalba, Jason (R)	114	TX Consumer Lenders PAC
\$6,000	Kolkhorst, Lois (R)	13	TX Consumer Lenders PAC
\$5,750	Aycock, Jimmie (R)	54	Trevor Ahlberg (Cottonwood Fin'l)
\$5,600	Giddings, Helen (D)	109	Cash America, Inc.
\$5,500	Davis, John (R)	129	TX Consumer Finance Assn.
\$5,500	Davis, Sarah (R)	134	Trevor Ahlberg (Cottonwood Fin'l)
\$5,500	Harless, Patricia (R)	126	TX Consumer Lenders PAC
\$5,500	Marquez, Marisa (D)	77	Trevor Ahlberg (Cottonwood Fin'l)
\$5,250	Capriglione, Giovanni (R)	98	Trevor Ahlberg (Cottonwood Fin'l)
\$5,200	Howard, Donna (D)	48	Trevor Ahlberg (Cottonwood Fin'l)
\$5,000	Farrar, Jessica (D)	148	Robert Reich (Community Loans of America)
\$5,000	Gonzales, Larry (R)	52	Trevor Ahlberg/ TX Consumer Lenders PAC
\$5,000	Larson, Lyle (R)	122	Trevor Ahlberg (Cottonwood Fin'l)
\$5,000	Price, Walter 'Four' (R)	87	3-way tie
\$4,800	Leach, Jeff (R)	67	Trevor Ahlberg (Cottonwood Fin'l)
\$4,750	Alvarado, Carol (D)	145	Cash America, Inc.
\$4,750	White, James (R)	19	Trevor Ahlberg (Cottonwood Fin'l)
\$4,500	Fruzzo, John (R)	84	TX Consumer Lenders PAC
\$4,500	Hernandez Luna, Ana (D)	143	Cash America/Wm. Webster (Advance America)
\$4,500	Ratliff, Bennett (R)	115	Trevor Ahlberg (Cottonwood Fin'l)
\$4,250	Clardy, Travis (R)	11	3-way tie
\$4,000	Bonnen, Dennis (R)	25	Trevor Ahlberg (Cottonwood Fin'l)
\$4,000	*Phillips, Larry (R)	62	3-way tie
\$4,000	Rodriguez, Eddie (D)	51	TX Consumer Finance Assn.
\$3,500	Burnam, Lon (D)	90	Cash America, Inc.
\$3,500	Dukes, Dawanna (D)	46	Trevor Ahlberg (Cottonwood Fin'l)
\$3,500	Hughes, Bryan (R)	5	Trevor Ahlberg (Cottonwood Fin'l)
\$3,500	Munoz, Jr., Sergio (D)	36	Rod/Leslie Aycox (Select Mgmt. Resources)
\$3,500	Pickett, Joe (D)	79	3-way tie
\$3,500	Turner, Sylvester (D)	139	3-way tie
\$3,500	Zedler, William (R)	96	Trevor Ahlberg (Cottonwood Fin'l)
\$3,150	Raney, John (R)	14	Trevor Ahlberg (Cottonwood Fin'l)
\$3,000	Deshotel, Joe (D)	22	Trevor Ahlberg (Cottonwood Fin'l)
\$3,000	Herrero, Abel (D)	34	TX Consumer Lenders PAC
\$3,000	Moody, Joseph (D)	78	TX Consumer Finance Assn.
\$3,000	Patrick, Diane (R)	94	TX Consumer Lenders PAC
\$3,000	Smith, Wayne (R)	128	3-way tie
\$2,750	Fallon, Patrick (R)	106	Wm. Lee Moore/TX Consumer Finance Assn.
\$2,500	Button, Angie Chen (R)	112	Ace Cash Express
\$2,500	Dutton, Harold (D)	142	TX Consumer Lenders PAC
\$2,500	Farias, Joe (D)	118	TX Assn. of Pawnbrokers/ TX Consumer Lenders
\$2,500	Gonzalez, Naomi R (D).	76	5-way tie
\$2,500	Johnson, Eric (D)	100	TX Consumer Finance Assn.
\$2,500	Lewis, Tryon (R)	81	Ace Cash Express/Trevor Ahlberg
\$2,500	Martinez, Armando (D)	39	TX Consumer Finance Assn.
\$2,500	Sheffield, J.D. (R)	59	TX Consumer Lenders PAC
\$2,500	Smithee, John (R)	86	Trevor Ahlberg (Cottonwood Fin'l)
\$2,500	Walle, Armando (D)	140	Cash America, Inc./EZCorp., Inc.
\$2,250	Bell, Cecil (R)	3	TX Consumer Lenders PAC
\$2,250	Turner, Scott (R)	33	Security Finance Corp.
\$2,000	Alonzo, Robert (D)	104	Rod Aycox/TX Consumer Lenders PAC
\$2,000	Guerra, Roberto (D)	41	Trevor Ahlberg (Cottonwood Fin'l)
\$2,000	Kleinschmidt, Tim (R)	17	TX Consumer Finance Assn.
\$2,000	Naishtat, Elliot (D)	49	4-way tie
\$2,000	Raymond, Richard (D)	42	TX Consumer Finance Assn.

\$2,000	Reynolds, Ron (D)	27	Cash America, Inc.
\$2,000	Rodriguez, Justin (D)	125	TX Consumer Lenders PAC
\$2,000	Strama, Mark (D)	50	TX Consumer Finance Assn.
\$1,750	Frank, James (R)	69	TX Consumer Lenders PAC
\$1,750	*Longoria, Oscar (D)	35	TX Consumer Lenders PAC
\$1,700	Goldman, Craig (R)	97	3-way tie
\$1,500	King, Kenneth (R)	88	TX Consumer Lenders PAC
\$1,500	Vo, Hubert (D)	149	TX Consumer Finance Assn.
\$1,000	Canales, Terry (D)	40	TX Consumer Lenders PAC
\$1,000	Gutierrez, Rolando (D)	119	TX Consumer Finance Assn.
\$1,000	Kacal, Kyle (R)	12	TX Consumer Lenders PAC
\$1,000	McClendon, Ruth (D)	120	TX Consumer Finance Assn.
\$1,000	Simpson, David (R)	7	Trevor Ahlberg/Robert Reich
\$1,000	Springer, Drew (R)	68	Trevor Ahlberg (Cottonwood Fin'l)
\$1,000	Wu, Eugene (D)	137	Cash America, Inc./EZCorp., Inc.
\$750	Sanford, William Scott (R)	70	Tracy Young (TitleMax)
\$750	Schaefer, Matt (R)	6	Tracy Young (TitleMax)
\$750	Toth, Steven (R)	15	Tracy Young (TitleMax)
\$500	Callegari, Bill (R)	132	TX Assn. of Pawnbrokers
\$500	King, Phillip (R)	61	Cash America, Inc.
\$500	King, Susan (R)	71	TX Consumer Finance Assn.
\$500	Lavender, George (R)	1	Trevor Ahlberg (Cottonwood Fin'l)
\$500	Miles, Borris L. (D)	146	Trevor Ahlberg (Cottonwood Fin'l)
\$500	Perez, Mary Ann (D)	144	Cash America, Inc.
\$500	Perry, Charles (R)	83	Trevor Ahlberg (Cottonwood Fin'l)
\$300	Collier, Nicole (D)	95	Cash America, Inc.
\$200	Stephenson, Phil (R)	85	John & Dana Laine (Loan Store)
\$0	Allen, Alma (D)	131	
\$0	Cortez, Philip (D)	117	
\$0	Craddick, Tom (R)	82	
\$0	Fletcher, Allen (R)	130	
\$0	Gonzalez, Mary (D)	75	
\$0	Klick, Stephanie (R)	91	
\$0	Krause, Matthew (R)	93	
\$0	Miller, Rick (R)	26	
\$0	Morrison, Geanie (R)	30	
\$0	Navarez, Alphonso (D)	74	
\$0	Riddle, Debbie (R)	150	
\$0	Rose, Toni (D)	110	
\$0	Simmons, Ronald (R)	65	
\$0	Stickland, Jonathon (R)	92	
\$1,375,096	TOTAL		

* Member of the House Investments & Financial Services Committee.

To keep the spigots open, predatory lenders have given an obscene \$1.4 million to House members—starting with the leadership. To gauge if these dollars are destiny, consider the legislation’s Senate odyssey.

Senate Business & Commerce Committee Chair Carona confined his bill to minimalist reforms through much of the session. When his packet of carefully managed, small expectations hit the

Senate floor, however, it triggered a rare stampede. Senators passed a string of amendments to penalize unauthorized lenders, curtail fees, preserve tougher local-government restrictions and cap annualized interest rates at 36 percent.² While Carona himself joined the final, 24-6 mutiny for tough reforms, the data suggest the senate did not entirely outrun the influence of payday cash even during this rare stampede.

Payday Reform Versus Senate Paydays

Senate Payday Vote	No. of Votes	Payday Total Since 1/2009	Average Payday
Pro-Reform	24	\$609,500	\$25,396
Anti-Reform	6	\$215,250	\$35,875
Not Voting	1	\$43,000	\$43,300
TOTAL	31	\$867,750	\$27,992

Since 2009 the six senators voting against tough payday reforms received an average of \$35,875 from the industry. That average payday is *41 percent bigger* than what the average reform-backing senator received (\$25,396).³ Four of the six senators who opposed payday reform (66 percent) were paid a premium to do just that. Their industry funding exceeded the senate average by more than 120 percent. Cheap-date Senator Brian Birdwell was the only “No” vote who received less than 80 percent of the average senate contribution from predatory lenders.

In contrast, most pro-reform votes were cast by senators (listed in black) who received average industry funding or by those (listed in green) whose industry funding fell below 80 percent of the Senate norm. No payday money was found in the coffers of Houston reform Senators Rodney Ellis and Sylvia Garcia.

Just four pro-reform senators (listed in red) received more than 120 percent of the industry’s average senate payday. These well-kept senators include Carona, the top senate recipient of predatory-lender money, and Kirk Watson, the industry’s favorite Democrat. Both men pushed minimalist reforms before joining the stampede for tough reforms.⁴

The unexpectedly tough payday reform bill passed by the Senate faces harsh odds in the House. Yet that chamber also recently stampeded against its leadership in a short-lived vote to wipe out the Texas Lottery.⁵ Like the Lottery, payday lenders strip unconscionable amounts of money from the most vulnerable Texans. Unlike the Lottery, reforming predatory loans would not blow a \$2 billion hole in the state’s public-school budget. •



The Cash Store’s Trevor Ahlberg bags elephants and donkeys.

Senators Approving Payday Reform

Payday Amount	Senator
\$140,000	John Carona
\$49,500	Kelly Hancock
\$42,500	Kirk Watson
\$36,000	Kevin Eltife
\$31,500	Robert Nichols
\$30,000	Kel Seliger
\$29,500	Dan Patrick
\$29,000	Eddie Lucio
\$28,500	Jane Nelson
\$26,000	‘Chuy’ Hinojosa
\$27,992	ALL-SENATE AVERAGE
\$24,800	Van de Putte
\$24,250	Charles Schwertner
\$22,600	Robert Deuell
\$21,500	Joan Huffman
\$15,000	Jose Rodriguez
\$14,000	John Whitmire
\$13,500	Royce West
\$10,350	Wendy Davis
\$8,500	Donna Campbell
\$7,500	Robert Duncan
\$3,000	Judith Zaffirini
\$2,000	Carlos Uresti
\$0	Rodney Ellis
\$0	Sylvia Garcia
\$609,500	TOTAL
\$25,396	‘YEA’ VOTE AVERAGE

Senators Opposing Payday Reform

Payday Amount	Senator
\$53,250	Craig Estes
\$42,000	Troy Fraser
\$37,500	Ken Paxton
\$36,000	Larry Taylor
\$27,992	ALL-SENATE AVERAGE
\$33,500	Glenn Hegar
\$13,000	Brian Birdwell
\$215,250	TOTAL
\$35,875	‘NAY’ VOTE AVERAGE



Notes

¹ The Texas Consumer Lenders PAC gave current House members \$250,000 since 2009, surpassing the Texas Consumer Finance Association's \$150,500.

² "Texas Senate Passes Tough Payday Lending Bill," *Fort Worth Star-Telegram*, April 22, 2013.

³ Senator Tommy Williams missed the vote on predatory-loan reforms. He took \$43,000 in industry money since 2009, with his largest share coming from Cash Store owner Trevor Ahlberg.

⁴ "[Payday Loan Industry Divides and Conquers at Capital](#)," *Texas Observer*, April 16, 2013.

⁵ "House Votes to Abolish Texas Lottery, Then Takes It Back," *Dallas Morning News*, April 23, 2013.