

February 22, 2011 Senate CSO Hearing News Coverage

Dallas Morning News Blog, *Dallas council member Jerry Allen testifies before Texas Senate committee*

<http://cityhallblog.dallasnews.com/archives/2011/02/dallas-council-member-jerry-al.html>

Fort Worth Weekly, *High interest, deep fangs*

http://www.fweekly.com/index.php?option=com_content&view=article&id=4583:high-interest-deep-fang-marks&catid=1:static&Itemid=373

Fort Worth City Council member **Kathleen Hicks**, who has fought payday lending excesses unsuccessfully in her own district, said she's encouraged that efforts like Davis' "are drawing bipartisan support including [from former] President George W. Bush. These predatory lending storefronts are more often found in disadvantaged areas in Fort Worth, where regulated banks are few and far between."

KXXV-TV (ABC Waco-Killeen), *Payday lenders could face changing rules in Texas*

<http://www.kxxv.com/Global/story.asp?S=14087748>

"At NeighborWorks in Waco, part of Vice President and COO Delisa Burnell-Smith's task is helping families get their finances in order. She says for some, payday loans can be a dangerous game. "Normally we don't see just one payday loan on their credit report," says Burnell-Smith. "We see multiple."

"At A. J. Moore academy, Co-Site Coordinator Natalie Rose and her staff of student volunteers provide free tax prep service. Rose says be ware of companies promising you a refund anticipation loan (RAL) in advance of your tax return. "They almost run hand-in-hand with payday loans," says Rose. "They charge them a very high interest rate, and so that takes away from the refund that is truly due to the customer."

KOSA-TV (CBS Midland), *Possible regulations for payday loans*

<http://www.cbs7kosa.com/news/details.asp?ID=24001>

"I've never seen where it's been a very positive thing," said Mary Hardin. You see them everywhere; payday lending, quick cash loans and car title loans. All of them are short term with high rates. Hardin's organization, Helping Hands, has seen dozens of families get caught up in them. "You're desperate. You want to keep a roof over your head so the easiest way to do that is a pay day loan." They're often an easy loan to get, but not so easy to get off your back.

Cherokeean Herald (Rusk), *Bill takes aim at payday lending fees*

http://www.thecherokeean.com/news/2011-02-23/Statewide/BILL_TAKES_AIM_AT_PAYDAY_LENDING_FEES.html

Fort Worth Star Telegram, *Davis targets "legalized" loan-sharking in Texas*

<http://www.star-telegram.com/2011/02/22/2868884/davis-targets-legalized-loan-sharking.html#>

Advocates for low-income and middle-class consumers echoed Davis' assertion that payday lending practices put thousands of Texans into a deep financial hole. "Forcing poor families to pay 500 percent interest on short-term loans is wrong," said Bishop Joe Vasquez of the Catholic Diocese of Austin. In a survey of seven dioceses across the state, including those in Fort Worth and Dallas, 83 percent of payday or auto title loan users said they had trouble paying back the full loan when it came due.

Dallas Morning News, *Texas senators' proposal to limit payday lending get hearing*

http://www.dallasnews.com/news/politics/texas-legislature/headlines/20110222-texas-senators_proposals-to-limit-payday-lenders-get-hearing.ece

"This is a gold rush," said Sen. [John Carona](#), R-Dallas, who chairs the Senate Business and Commerce Committee.... "I just don't want them to absolutely rape these consumers," he said.

Dallas Morning News Blog, *Dallas council member speaks out against payday lending in Austin*
<http://cityhallblog.dallasnews.com/archives/2011/02/dallas-council-member-speaks-o.html>

Austin American-Statesman, *Legislators already revising proposed payday lending regulations*
<http://www.statesman.com/news/texas-politics/legislators-already-revising-proposed-payday-lending-regulations-1274055.html>

[Frederick Haynes III of Dallas] said his church and three others have organized because "the community is saturated" with payday lenders. "We are concerned why our community has been targeted," he said. Haynes said payday loans are harmful to his church members: "Instead of throwing them a lifeline, we're throwing them shackles."

Fox-TV Houston, *Group fighting quick cash loan companies*
<http://www.myfoxboston.com/dpp/news/consumer/110222-group-fighting-quick-cash-loan-companies#>

"The fees are too much. It's like they jip you. You get your money, then they charge you extra money, like way too much," said Keshia Holman. Holman admitted to borrowing from quick cash companies.

"I do think the laws should be changed because it's a scam. They know you're in a hard place and you need the money and most likely if you need the money that desperately, how are you going to get the money to give it back to them?" said area resident Belinda Butcher.

"The problem is people don't realize the consequences. They don't realize that a lot of times it's going to get them into perpetual debt where they're constantly just servicing the interest and it's almost impossible to get out of some of these loans for some people," said accountant Bob Martin. "I think the laws are likely to be changed because they're affecting some of the most vulnerable people: people who need emergency loans for just a short period of time. Then other things come up and they can't pay back these loans. They, a lot of times, end up losing their cars. They end up losing a big portion of their paychecks. It's a very unfortunate situation," said Martin. "It's not unusual for people to pay back two or three or four times what they originally borrowed."

ABC-TV Houston, *Texas looks to regulate payday loan services*
<http://abclocal.go.com/ktrk/story?section=news/consumer&id=7973726>

When Leah Wiseman needed money several years ago, she turned to a payday loan. Wiseman says her \$375 loan took her four months to finally pay off. "I had to always be doing another loan in order to take care of the previous loan," she said. Wiseman says it was very difficult to eventually pay off what she owed. "You never get ahead. There is no way to get ahead," Wiseman said.

John Villarreal also had trouble paying off his payday loan. He urges consumers to be very cautious before signing up for any fast loan. "If you don't look into the details you will not know, so I encourage everyone to know what you're getting into," he said.

These fees can be very damaging for these types of people who want these loans. They can't really afford the fees from the outset," said Leah Napoliello with the Houston Better Business Bureau.

Feb 22 KXAN-TV (NBC Austin), *Senator aims to curb predatory lenders*
<http://www.kxan.com/dpp/news/politics/senator-aims-to-curb-predatory-lenders>

Feb 22 Texas Tribune (Austin), *Senate Committee targets payday lending*
<http://www.texastribune.org/texas-issues/predatory-lenders/senate-committee-targets-payday-lending/>