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IRFAN KHAN Los Angeles Times
MARCHERS gather near City Hall for the second Women's March on Saturday in Los Angeles. Similar rallies played out coast to coast.

ROARING AS ONE

Women's Marches nationwide set sights on ballot box while praising #MeToo.

BY LAURA KING, ANDREA CASTILLO AND NINA AGRAWAL

In a boisterous coast-to-coast outpouring, hundreds of thousands of marchers in dozens of cities staged a reprise of last year's massive Women's March, seeking to not only deliver a powerful rebuke to the policies of President Trump, but also mount a crucial mobilization for this year's midterm election.

"Because of you, the revolution is rolling!" actress Natalie Portman told marchers in downtown Los Angeles, drawing — like many speakers in the #MeToo movement — on the drive to hold powerful men accountable for sexual misconduct, a galvanizing force at many of the rallies.

"Everything is at stake," actress Jane Fonda told marchers in snowy Park City, Utah, scene of the Sundance Film Festival, in another nod to the #MeToo movement. "We've got to give it all we've got. Time is up!"

In addition to the roll call of major American cities where marches took place — including New York, Washington, Los Angeles, Dallas, Philadelphia, Chicago, San Francisco, Atlanta — protesters also raised their voices in suburbs and small towns, reflecting the aim of coalescing a widespread movement on the anniversary of Trump's inauguration to oppose the president's stance on immigration,

[See **Marches**, A10]

MARIA ALEJANDRA CARDONA Los Angeles Times
PROTESTERS in downtown Los Angeles sought to galvanize the widespread movement on the one-year anniversary of President Trump's inauguration.

Parties point fingers over face-off

As each blames the other for shutdown, Democrats' strategy poses risks ahead of the midterm election.

BY NOAH BIERMAN AND LISA MASCARO

WASHINGTON — Democrats have grown used to winning political face-offs over government shutdowns, smiling from the sidelines as Republicans struggled to contain the unruly factions in their party. On Saturday, Democrats got a taste of that stomach-churning game.

On the first day of the partial government shutdown — the last one was in 2013 — Democrats were playing a risky strategy, caught between a rising activist base that demands protection for young immigrants and moderate lawmakers who fear taking the blame as iconic sites like the Statue of Liberty were closed and an estimated 800,000 federal employees faced the prospect of unpaid furloughs.

Both sides furiously blamed the other for the im-

[See **Impasse**, A16]

Borrow $5,000, repay $42,000

BY JAMES RUFUS KOREN AND ANDREW KHOURI

JoAnn Hesson, sick with diabetes for years, was desperate.

After medical bills for a leg amputation and kidney transplant wiped out most of her retirement nest egg, she found her Social Security and small pension weren't enough to make ends meet.

As the Marine Corps veteran waited for approval for a special pension from the Department of Veterans Affairs, she racked up debt with a series of increasingly pricey online loans.

In May 2015, the Rancho Santa Margarita resident borrowed $5,125 from Anaheim lender LoanMe at the eye-popping annual interest rate of 116%. The following month, she borrowed $2,501

[See **Loans**, A14]

2018 OLYMPICS **PYEONGCHANG**

Minus leader, U.S. men have tougher sledding

Team will be thinking of three-time medalist Steven Holcomb, who died eight months ago.

BY DAVID WHARTON

The inside of an Olympic bobsled can be a violent place, loud and jostling at 90 mph, subject to oppressive gravitational forces through each banked turn.

But when Steve Langton thinks back on his years of racing with teammate Steven Holcomb, he remembers quieter times.

Their car rides to practice with music playing over the radio. Or the moments before they won a bronze medal in the two-man event at the 2014 Winter Games.

"He and I didn't say one word to each other," Langton recalls. "We both knew what we needed to do."

LEON NEAL AFP/Getty Images
BOBSLED pilot Steven Holcomb ended 62-year medal droughts in both two-man and four-man.

Eight months have passed since Holcomb died in his sleep at a Lake Placid, N.Y., training site with a fatal combination of alcohol and sleeping pills in his system.

The 37-year-old ranked among the world's top bobsled pilots, winning three Olympic medals and 10 world championships. Though he had made no secret of past battles with depression — including a suicide attempt — news of his death rocked the sports world.

Now, in his absence, Langton and the rest of the U.S. bobsled team must find a way to regroup as they head to the 2018 Winter Games without the man who always led them to victory.

"I mean, it's going to be tough," Langton says. "Steve had such quiet confidence."

In the months leading up to the Olympic Games in Pyeongchang, South Korea, team members have met regularly with Alex Cohen, a U.S. Olympic Committee psychologist.

"The one thing that's important for athletes and coaches to know is that

[See **Holcomb**, A6]

Rosecrans Avenue, the pulse of hip-hop
The Compton street has played a role as an incubator and a backdrop for the West Coast rap scene. ARTS & BOOKS

Regrets in Texas over silence
Ex-neighbors of Perris couple had considered reporting them to authorities. CALIFORNIA, B1

Weather: Sunny, cool. L.A. Basin: 63/46. B10

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Average loans, jumbo interest

Hesson knew she did not have the money to repay LoanMe. But she was hoping the loan would tide her over until she could qualify for an additional federal pension — which ended up being denied.

"I didn't like not paying bills," she said. "But they made it so easy."

Repayment squeeze

Advocates say Hesson's story has become common over the past several years.

Leigh Ferrin, an attorney at the nonprofit Public Law Center in Santa Ana, said about 1 in 3 bankruptcy cases that crosses her desk has a high-interest installment lender as a creditor.

"We see loans with 90% APR, 100%, 130% — that's the new normal, which is kind of depressing," she said.

When borrowers stop paying, lenders say they have little recourse to get the money they are owed — though that doesn't mean they don't try.

Jefferson, the LoanMe borrower, asked for a settlement or deferred payments, telling the company she hoped to provide a Thanksgiving meal and Christmas presents for her 5-year-old granddaughter.

"I am trying to make it so I can pay you and still live," she wrote to LoanMe.

She said the company's customer service representatives told her they didn't offer settlements or modifications. One, she said, even scolded her for taking out a loan "if you didn't know what you were doing."

Collection calls came as many as 15 times a day on her cell, landline and at the office. Jefferson said she blocked LoanMe's number, only to have the Orange County company call with Los Angeles area codes.

"I was going to bed and waking up to LoanMe," she said.

After Jefferson hired an attorney, she said LoanMe changed its tune and offered a loan modification.

Williams said the company offered Jefferson seven "offers of assistance" starting the month she stopped paying, which would have been before she hired an attorney.

He said Jefferson ignored or declined those offers. The company also said interest rates and loan terms are "prominently disclosed" and that Jefferson provided a document that showed monthly net income of approximately $4,000 and monthly debts of $822.

But according to a bank statement reviewed by The Times, Jefferson took in $3,165 from her job and child support during the month before she got the loan, and had racked up nearly $2,000 in overdraft fees in the first six months of 2015.

LoanMe never sued Jefferson to recover money owed, but that is not always so.

In 2016 and 2017, LoanMe sued more than 3,000 borrowers in Los Angeles County small claims court, seeking repayment.

And in numerous bankruptcy cases, LoanMe has gone after borrowers alleging they either took out loans with no intent to repay them or were insolvent at the time they applied for loans — something good underwriting might catch.

Over the last two years, LoanMe has been listed as a plaintiff in 22 California bankruptcy cases, challenging some part of the proceeding.

In one San Diego case filed last July, the company said the customer borrowed $5,100 at an APR of 106%, made a single payment, then filed for bankruptcy protection.

LoanMe's attorneys argued that the debt should not be discharged because the borrower "knew or should have known he had no ability to repay the loan and/or was insolvent at the time the loan was obtained."

The company's court filing includes a copy of the borrower's loan application, which indicates he told the company he had monthly income of $2,700 — and zero monthly expenses.

GINA FERAZZI Los Angeles Times

JOHN JEON, a manager at a seafood restaurant in L.A.'s Koreatown, took out a high-interest installment loan from Elevate Credit and worked to pay it off early.

Rees of Elevate says his company makes collection calls and sells loans to third-party collection agencies — but it generally does not take legal action against borrowers. Between 20% and 25% of Elevate's loans are charged off, and the company stops trying to collect.

"In nonprime, there is a real chance people will not be able to pay off the loan," Rees said. "So you price the stated APR appropriately, and if the customer does have stresses, you don't pile on."

Rees said among Elevate borrowers in California who repay their loans in full, 99% pay early, so the company rarely collects as much interest as the rates and terms suggest.

At Orange County-based CashCall, an early player in the market for these loans, about 40% of borrowers defaulted and 50% paid early, according to written testimony by its chief financial officer in a long-running court case over the company's interest rates.

With steep interest rates, the loans can be profitable despite the high number of defaults and early payoffs. But they can also lead to big losses.

CashCall lost money in 2003 and 2004 when the business was starting out, according to financial reports. Although it made a total of $39.6 million in 2005 and 2006, the company lost $25.6 million in 2007 as default rates climbed in the run-up to the recession.

Elevate, which went public last year, lost a combined $42.3 million in 2015 and 2016, though it was on pace for a profitable 2017, according to its most recent SEC filings.

Reform challenges

One thing lenders and advocacy groups agree on: There is demand for these loans, driven by low wage growth, climbing housing costs, catastrophic medical bills and a lack of job security — factors that have kept many Americans on the financial edge.

A May report from the Federal Reserve found that about 25% of American adults can't cover all of their monthly bills, and 44% say they don't have enough savings to cover an unexpected expense of $400. Nearly a quarter said they had paid an unexpected medical expense over the past year, and more than 40% of those — representing about 24 million Americans — said they were still paying debt related to those expenses.

That's why lenders say their products are needed to help cash-strapped Americans make ends meet.

Consumer advocates say super-expensive debt is not the solution.

This gets to a central question: Should interest rates and underwriting be more closely regulated? Cracking down would probably mean fewer loans. But high demand could push borrowers to unregulated lenders, including those affiliated with Native American tribes. Tribal lenders argue that they are not subject to state lending laws and can charge whatever the market will bear.

"A lot of academics will say these loans should be illegal, but it's not that simple. Some people who take out these loans say they're glad they did. Others will say they wish these things didn't exist," said Servon, the University of Pennsylvania professor. "The million-dollar question is, is expensive credit better than no credit at all?"

For John Jeon, the answer was yes.

A year ago, he lost a seasonal job at a West Hollywood hotel and needed cash to pay rent and a medical bill.

With a poor credit score and limited options, he turned to Elevate.

He said he originally wanted only $1,500, but Elevate doesn't offer loans that small and approved him for $3,000 at 224% APR.

The 28-year-old took it, thinking the extra money would give him time to find a steady job — which he eventually did as a manager of a Koreatown seafood restaurant. He also worked to pay off the loan two months early.

"The nature of this loan," Jeon said, "it's not good to be making minimum payments."

Under new leadership installed by President Trump, the Consumer Financial Protection Bureau may seek to pull back new payday loan rules, dimming the prospects of federal guidelines for installment lenders.

In California, state lawmakers have had little success reining in high-cost lenders.

Last year, state Assemblyman Ash Kalra (D-San Jose) proposed a bill that would have capped interest rates at 24% for all loans of $2,500 or more, calling triple-digit APRs "an abusive practice." Kalra later pulled the bill and co-authored another that would also have put a cap on rates for loans of more than $2,500 by expanding a state pilot program that now governs smaller loans.

That bill, too, stalled. A handful of lenders — including Elevate and Check 'n Go parent Axcess Financial — and industry trade groups spent more than $300,000 on lobbying against those and other bills last year.

Kalra said he plans to try again.

"A whole bunch of profits are being made off the backs of poor and working-class families," he said. "I think ultimately it comes down to the political will of the Legislature to stand up to these interests."

james.koren@latimes.com
Twitter: @jrkoren
andrew.khouri
@latimes.com
Twitter: @khouriandrew