Caught in the Crosshairs of Corporate Power

How Americans are harmed when they lack a voice in Washington

ALAN ZIBEL AND RICK CLAYPOOL, PUBLIC CITIZEN RESEARCH DIRECTORS ✦ March 2019

When political candidates spend their time begging for cash from wealthy interests and legislating to prioritize profits over the public interest, regular people lose out. The corporations and superrich that dominate our elections have an outsized influence over who wins, what gets discussed in campaigns and what legislative ideas receive serious consideration.

The sweeping legislative package known as the For the People Act (H.R. 1) contains ethics, campaign finance and voting rights reforms that are essential to make our government work effectively and fairly. The legislation would enact:

- Comprehensive campaign finance reforms to end dark money and reduce the power of corporations and the wealthy to influence our elections. Under the bill, elected officials would be able to finance their campaigns from individual donations, with a match from the federal government.
- Desperately-needed government ethics reforms to combat conflicts of interest by slowing the revolving door between public service and powerful business interests and strengthening oversight and enforcement of ethics laws and rules.
- Voting and electoral reforms that would end gerrymandering, knock down barriers to voting and reaffirm the principle of one person, one vote.

Since Donald Trump's election, corporate America has had a field day in Washington. Regulatory rollbacks and plummeting enforcement against corporate violators are leaving Americans more exposed than ever to for-profit predators. Meanwhile, massive tax cuts are allowing industry to get away without paying its fair share, and our meager social safety nets programs have faced constant legislative threats.

To illustrate the need for reforms that reduce corporate influence and redistribute power to the people, Public Citizen compiled stories of regular Americans whose lives have been impacted by corporate political power. ✦

Corporate Power Spotlight: Higher Education

"It's just one thing after another to hurt students." -Sanders Fabares, 39, San Diego

In 2003, Sanders Fabares was seeking to break into the film industry and wanted to get trained on how to use digital video production equipment. While looking at job ads, he saw an advertisement for an open house and barbecue event at the Art Institutes of California in San Diego.

At the time, he had limited knowledge of for-profit colleges. But after taking a tour, Fabares was impressed by the school's sophisticated cameras and video equipment. A school's recruiter boasted of a 95 percent job-placement rate, and pushed him aggressively to enroll, he said.

The job-placement rate was the main reason Fabares enrolled in the Art Institutes program, never considering that a school might not be truthful about such an important statistic. But the school's former parent company, the now-bankrupt Education Management Corp., owned by Goldman Sachs and two private equity firms, later faced allegations of overly aggressive recruiting practices and exaggerating job-placement rates. The schools' new owner has been closing down campuses.

Fabares found the Art Institutes program to be almost worthless, especially compared with the University of Arizona, where he had already studied to get a bachelor's' degree. With a high ratio of students to teachers, Fabares found it incredibly difficult to enroll in the classes he needed.

Fabares, now 39, and his wife, Jay, 36, met in a drawing class at the Art Institutes. They graduated with combined debt of about $96,000. They have made consistent payments but have only been able to cut their debt down to about $73,000 over the past 13 years, taking intermittent art jobs in Los Angeles and the San Francisco Bay Area before moving back to San Diego.

Fabares has filed a request for debt relief under the Education Department's "borrower defense" program, which cancels debt for defrauded students. Four years after applying, he has yet to receive an answer. "If life throws you any curveballs under this debt, it's going to make you default," he said. "It's doing to blow you out of the water. All it takes is a life change."

Fabares currently works for a consulting firm that moderates companies' online presence. The couple also works as caretakers for his elderly grandparents. Having a large amount of debt, "affected just everything we did," he said. "We weren't able to save hardly anything. We just were living paycheck to paycheck hoping something would pan out."

Now Fabares is involved in efforts to hold for-profit schools and the Education Department accountable for their actions. He encourages former students from The Art Institutes to join the Facebook group "I Am AI" to meet others seeking justice.

Having attended rule-making sessions held by the Education Department, he has seen in person how lobbyists and for-profit colleges have fought meaningful oversight. "It's just one thing after another to hurt students," he said.

CORPORATE INFLUENCE AT WORK: For-profit colleges that saddle students with mountains of debt and worthless degrees have successfully lobbied Congress and the Education Department to block or weaken rules that protect students. As a result, millions of students and graduates around the country are burdened with debt and disillusioned.

Toward the end of the Obama administration, the Education Department started taking steps to rein in predatory for-profit college operators. Officials successfully cut off the flow of federal student loan money to some of the worst abusers. But under Education Secretary Betsy DeVos, the department's efforts to protect students from predatory schools are being gutted. Several investigations into the for-profit college industry have been scotched, and DeVos has brought on several former for-profit college executives who are now overseeing the same companies where they once worked or represented. DeVos has made it more difficult for defrauded students to get their loans discharged and scaled back rules designed to weed out poor career-training programs at for-profit schools. Meanwhile, student debt continues to rise: According to the Federal Reserve Bank of New York, there is $1.46 trillion in outstanding U.S. student loans, with about 9 percent of that in serious delinquency, having had no payments in 90 days.

LOBBYING AND CAMPAIGN CONTRIBUTIONS: For-profit college industry defenders on Capitol Hill have long carried water for the industry, despite the collapse of numerous schools and countless stories of students who received a worthless education. Notable recipients of industry donations include former Rep. John Kline (R., Minn.), formerly chairman of the House Education Committee, former Rep. Robert Andrews, (D. N.J) a member of Congress who took stances favorable to the industry and Rep. Virginia Foxx. (R., N.C.), currently the panel's top Republican. ✦

KEY FACTS:

The for-profit college industry has:

- Spent nearly $71 million on lobbying in Washington since 2008.
- Contributed more than $13.6 million in campaign money to Congress over the past 30 years, with money coming from PACs and individuals tied to the for-profit college sector.
- Contributed 53 percent to Congressional Republicans and 46 percent to Congressional Democrats.

SOURCE: Center for Responsive Politics.

Corporate Power Spotlight: Payday Lending

"What seems initially like help turns out to be nothing but hurt." Wayne Wright, 59, Jacksonville, Fla.

Starting about a decade ago, Wayne Wright, 59, of Jacksonville, Fla., started using payday loans. He had already drained his savings and destroyed his credit score after being laid off from a computer programming job.

Wright was raising two teenagers on a single income and had switched careers, but there were times when money wasn't lasting from one month to the next. "I had more month than I had money," he said.

Wright, who was living in Nashville, Tenn. at the time, took out loans from storefront and internet lenders to make it from one month to the next, but quickly found himself stuck in a debt trap, repeatedly borrowing money to pay back the last loan, plus fees.

"What seems initially like help turns out to be nothing but hurt," Wright said. "Unless something happens in your life to break that cycle, you're stuck."

These days, Wright works as a home health care nurse in Florida and is on far more solid ground financially. He was able to get out of the payday loan cycle after his sister loaned him $2,600 and let him pay back that money gradually.

"It took outside intervention to help me totally just get free from them and then I never got another," Wright said.

Though he hasn't taken out a payday loan since 2015, Wright said he's still getting calls from online lenders aggressively pushing out loans with lines like "your first one can be free" and "you have a good record with us."

Payday lenders, which often target low-income borrowers, are effectively banned in states that with firm caps on the interest rate that lenders can charge borrowers. But this kind of lending remains legal in much of the country.

Wright believes there should be limits on the number of times borrowers can renew payday loans, which typically last two weeks. Once that limit is reached, the loan can be converted into a loan that can be paid off in a fixed number of installments rather than renewed in perpetuity.

His advice to people who are considering taking out payday loans?

"Just don't. Do whatever you got to do. Sell your couch instead. You can always buy another one."

CORPORATE INFLUENCE AT WORK: Under Trump, high-rate payday lenders have been hard at work pushing to roll back safeguards for consumers, undoing regulations established during the Obama administration and curtailing investigations of the industry. The payday lending industry's main trade group has held its annual conference– and a golf tournament – at the Trump National Doral Golf Club near Miami. The Consumer Financial Protection Bureau has proposed to eliminate safeguards for consumers seeking payday or auto title loans that require lenders to assess whether borrowers have the ability to repay their loans. The Washington Post reported that a payday industry lawyer seeking to get rid of regulations on the industry worked closely with an academic researcher to publish a study claiming that taking out repeated loans doesn't harm borrowers. Though the CFPB spent more than five years of research and study on its payday-lending rules, the bureau has indicated that it may not fully defend the rule against a lawsuit from payday lenders and has done the industry's bidding by formally proposing to roll back the Obama-era protections that would help people avoid getting caught in cycles of ever-increasing debt.

LOBBYING AND CAMPAIGN CONTRIBUTIONS:
Republicans and Democrats alike have been recipients of payday industry donations, and have both used their positions of power to benefit the industry. Former Rep. Kevin Yoder (R-Kan.) received nearly $324,000 from individuals and political action committees tied to the industry over his career. Sen. Richard Shelby (R-Ala.), the former chairman of the Senate Banking Committee, has received more than $218,000 in payday contributions. Former Rep. Jeb Hensarling (R-Texas), the former chairman of the House Financial Services Committee, received $202,000. Other notable recipients of payday contributions include Rep. Alcee Hastings (D-Fla.), Rep Steve Stivers (R-Ohio.) Former Rep. Mick Mulvaney, the current acting White House chief of staff and budget director who also served as acting director of the Consumer Financial Protection Bureau, received nearly $63,000 from payday lenders during his congressional races. As acting director of the CFPB, Mulvaney ended multiple investigations into high-cost lenders, including one involving World Acceptance Corp., a lender from which Mulvaney had received campaign donations.. ✦

KEY FACTS:

The payday loan industry has:

- Spent nearly $57 million on lobbying in Washington since 2008.
- Contributed nearly $11.8 million in campaign money to Congress over the past 30 years, with money coming from PACs and individuals tied to the industry.
- Contributed 64 percent to Congressional Republicans and 36 percent to Congressional Democrats.

SOURCE: Center for Responsive Politics.

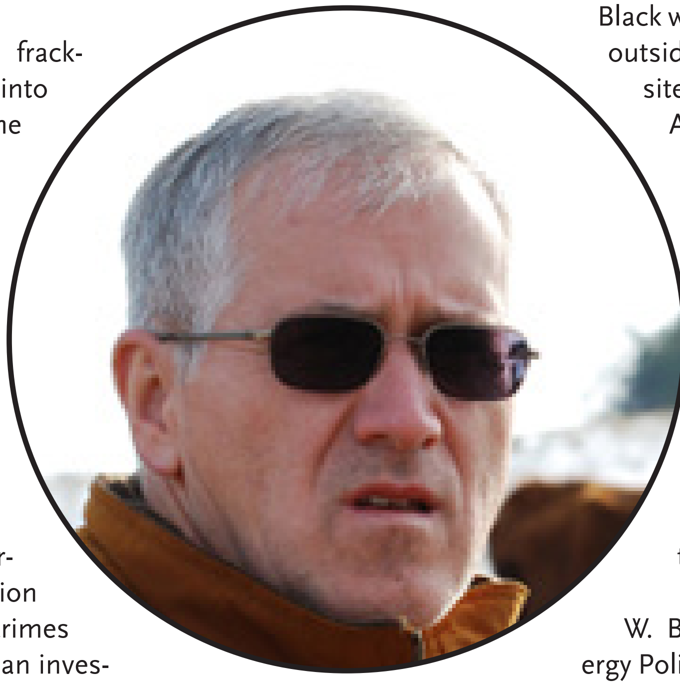
Corporate Power Spotlight: Fracking Pollution

"How do you as a landowner stand a chance when the industry wrote the law?" –Ronald Gulla, 63, Canonsburg, Pa.

With more than six years of experience working for oil and gas businesses, Ron Gulla thought he understood the industry. In 2002, he signed a lease to allow drilling on his farm. That lease would later be acquired by Range Resources, a major fracking corporation based in Texas. When drilling began in 2005, Gulla found himself mired in a toxic mess.

Hydraulic fracturing, or fracking, involves in drilling deep into the earth and injecting the wells with millions of gallons of water, sand and other chemicals to break apart underground shale rock and release the gas.

"Range Resources says 'Drilling is just the beginning'," said Gulla. "Well, the spilling is also the beginning."



Pennsylvania Attorney General Josh Shapiro is overseeing a grand jury investigation into alleged environmental crimes in Washington County, Pa. -- an investigation which reportedly includes alleged wrongdoing by Range Resources.

Over three years, four gas wells were drilled on Gulla's farm in Washington County, Pa, about 30 miles west of Pittsburgh. The nearest drilling rig was 600 feet away. The road the drillers built used mill slag – a by-product of steel manufacturing often seen piled up in black heaps near steel mills – in order to access one of the rig was just 150 feet away.

When it rained, Gulla recalls water running off of the drillers' road, through the slag and into his family's water well. "That mill slag is toxic," said Gulla. "There's arsenic in it, there's pieces of railroad tie in it, which has creosote [a toxic substance]. It has metal in it and plastic and all kinds of garbage. If you go and buy slag, it tells you right there on the back of it, don't breathe the dust. It's bad stuff."

Gulla's family immediately stopped drinking the discolored well water. "Two years or so down the road, I noticed while brushing my teeth that the water got a really strong metallic taste to it."

Gulla also saw fracking wastewater from well pads – the small industrial sites where the drilling workers operated the rigs – flowing directly onto soil and into a stream. He saw the vegetation in the fish pond downhill from the well pads turn yellow and die. Then fish died. So did deer and neighboring cattle.

Black water bubbled and flowed from outside the well casing at the drill site near Gulla's pond, he said. A water test in 2009 showed high levels of volatile organic compounds known as BTEXes – benzene, toluene, ethylbenzene and xylene. "All that was going into the pond," said Gulla. "That's what was killing everything. They're all carcinogens. They're deadly. You don't want to be exposed to this stuff. And they were exposing us."

In 2005, President George W. Bush signed into law the Energy Policy Act, which contained provisions, infamously dubbed the "Halliburton loophole," exempting the fracking industry from essential antipollution regulation.

But environmental groups have been unable to convince lawmakers to eliminate the loophole. Their many years of efforts have so far been blocked due to the industry's stranglehold on Congress. Gulla sees the outsized role of big money in American politics as a key reason: "Everything comes back to Citizens United," Gulla said, referring to the 2010 ruling by the U.S. Supreme Court allowing corporations to spend as much as they want to influence elections.

"There is no way on God's green earth I would have signed the lease if I had known they were going to be exempt from the Clean Air and Clean Water Acts. And the Safe Drinking Water Act. And the Right to Know, and the Superfund Act," said Gulla. "When I worked in this industry, they were not exempt."

He added: "How do you as a landowner stand a chance when the industry wrote the law?"

CORPORATE INFLUENCE AT WORK: The oil and gas industry uses its political influence to secure policies to block environmental and public protections and suppress development of the renewable energy sources that are essential for averting catastrophic climate change.

Under former President George W. Bush and Vice President Dick Cheney, whose election and re-election campaigns received millions from the oil and gas industry, lawmakers enacted the 2005 Energy Policy Act, which had its origins in Cheney's infamous energy task force that met in secret with energy company lobbyists. This bill secured billions in subsidies and regulatory rollbacks – including exemptions for fracking from the Safe Drinking Water Act.

Legislation to close the loopholes, which have been introduced and collectively dubbed the "Frack Pack" have not advanced. Meanwhile, the oil and gas industry continues to gush donations on lawmakers that block progress on renewables. A recent Huffington Post analysis finds that senators who have not co-sponsored the Green New Deal legislation, which would move to end U.S. reliance on polluting fossil fuels for energy, receive an average of seven times more in contributions from the oil and gas industry.

LOBBYING AND CAMPAIGN CONTRIBUTIONS: Top Senate recipients of oil and gas contributions include U.S. senators from Texas, Ted Cruz and John Cornyn (more than $3 million each over the course of their careers). Former Sen. Kay Bailey Hutchison (R-Texas) and Senate Majority Leader Mitch McConnell (R-Ky.) each received more than $2 million from the industry. In the House, former Rep. Joe Barton (R-Texas), who served as chair of the Energy and Commerce Committee and infamously apologized to BP for how the government treated the oil giant after the Deepwater Horizon oil spill disaster, received more than $2 million from the industry, more than any other House member. ✦

KEY FACTS:

The oil and gas industry has:

- Spent more than $1.5 billion on lobbying in Washington since 2008.
- Contributed more than $297 million in campaign money to Congress over the past 30 years.
- Contributed 79 percent to Congressional Republicans and 21 percent to Congressional Democrats.

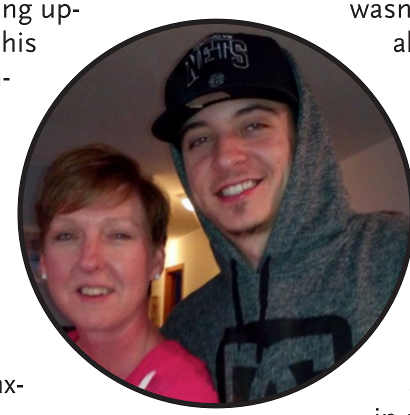
SOURCE: Center for Responsive Politics.

Corporate Power Spotlight: Prescription Drug Price Spikes

"I have all these intentions of fighting pharma and getting these laws changed. But I'm up against billionaires."
–Nicole Smith-Holt, 48, Richfield, Minn.

Nicole Smith-Holt's son Alec was about to turn 24 when he was first diagnosed with Type 1 diabetes. At the time, Alec was covered by his mother's insurance plan.

"Even with insurance, he was spending upwards of $200-$300 a month to cover his insulin and diabetic supplies," Smith-Holt said. "At times, that was even a struggle."



In 2016, Alec was promoted to be manager at the small, family-owned restaurant where he worked. He was eager for experience that could lead to a better job. But because the restaurant did not offer insurance coverage to employee, he and his mother were anxious.

Nevertheless, he took the job. The 2010 Affordable Care Act meant Alec could stay on his mother's insurance for the first six months of his job, until he turned 26.

When time came for Alec to leave his mother's plan for a plan offered through the state insurance exchange created by the Affordable Care Act, Smith-Holt and her son experienced intense sticker shock. "The premiums were so high and the deductibles were crazy ridiculous," she said.

Despite Alec's managerial salary, the cost of insurance and insulin plus expenses like rent and utilities proved to be too much. Even with insurance, he would have needed to pay thousands of dollars toward his deductible before coverage began. Instead, he opted to not buy insurance and pay for his medicine out of pocket.

One month after his 26th birthday, Alec went to the pharmacy to refill his prescriptions. The bill: $1,300. "By what I could later see from his bank account, he had only about $1,000 in the bank," said Smith-Holt. "So he left the pharmacy. He did not call and ask for any help."

"He didn't ask anyone for a loan," Smith-Holt continued. "He didn't ask anybody for anything. Alec was the type of person who was fiercely independent. He didn't want to rely upon anybody for anything. I think he felt like it wasn't his place to reach out and ask for help."

One Sunday, Alec and his girlfriend went out to eat but wasn't able to eat his food. "He started complaining about abdominal pains." Smith-Holt said. "He had ordered a beer and he wasn't able to drink it. He just wasn't feeling right. He wanted to sleep. That's all he wanted to do. So they went back to his place. She left, and he was left there alone."

The next day was Monday. He called in to his job and said he didn't feel well enough to come in.

"That phone call to his job on Monday was the last phone call he made," said Smith-Holt.

On Tuesday his girlfriend visited his apartment to check on him. His car was in the parking lot, but he wasn't answering his phone or his door. She climbed in a window and found him unresponsive on the floor. According to a medical examiner, he'd actually passed away on Monday. He had no insulin in his apartment.

"I feel like Alec slipped through the cracks of our health care system. The Affordable Care Act, the health care plans that are offered on there, it's a joke," said Smith-Holt. "Not only are the premiums high, but those deductibles are crazy. People are wiping out their savings to get through the first few months of insurance, paying out those high deductibles. People are maxing out their credit cards. They're cashing out college savings accounts. They're mortgaging their homes. They're filing for bankruptcy. They're setting up all these GoFundMe accounts. It's crazy. GoFundMe shouldn't be our healthcare system."

Today Smith-Holt advocates for reducing drug prices and supports a Medicare-for-All healthcare system that provides universal coverage. But fighting for this cause, Smith-Holt knows, is a struggle.

"I have all these intentions of fighting pharma and getting these laws changed," she said. "But I'm up against billionaires, people who have just millions to throw around. I don't have that money."

CORPORATE INFLUENCE AT WORK: The pharmaceutical industry uses its political influence to block even the most modest reforms to rein in prescription drug prices and to undermine regulations that protect the public from unsafe medicines.

In 2003, President George W. Bush signed the Medicare Modernization Act, which expanded Medicare to cover prescription drugs but prohibited the government from using its bulk purchasing power to negotiate prices.

Legislation to end the prohibition has been introduced, but has not advanced. Other major drug price reforms, such as bipartisan legislation barring the industry from blocking the introduction of price-lowering generic medicines, have faced fierce industry opposition. Similarly, anti-price-gouging legislation introduced in response to the industry's price-hike scandals, has stalled despite overwhelming public support.

Meanwhile, the for-profit health insurance industry – a dominant force in the U.S. health care system – has used its political power to entrench itself. Top Democrats in 2009 refused to consider creating a single-payer, Medicare-for-All healthcare system, eliminating the need for a private, for-profit health insurance industry. The industry mobilized to blunt the policies that would become the Affordable Care Act, ultimately defeating a public insurance option and ensuring that reforms prioritized protecting private profits. Nevertheless, the insurance industry, with other health sector interests, fought the reforms to the bitter end, spending upwards of $380 million on lobbying – paying for six lobbyists for every member of Congress – in the months before the bill's passage.

Public Citizen recently found that three-fourths of lobbyists working on health care issues in 2017 were from the pharmaceutical, insurance or hospital industries, all likely foes of Medicare-for-All. The lobbyists were collectively paid $660 million. In addition, a network of right-wing organizations backed by the billionaire industrialist brothers Charles and David Koch campaigned to repeal the Affordable Care Act, spending more than $120 million since 2008 to influence congressional elections, almost entirely to elect Republicans and defeat Democrats. Since the bill's passage, congressional Republicans have voted more than 50 times to repeal or amend the law.

LOBBYING AND CAMPAIGN CONTRIBUTIONS: Former Rep. Billy Tauzin (R-La.), then-chair of the House Energy and Commerce committee, is credited with authoring the prohibition against Medicare negotiating drug prices. At the time of his retirement in 2005, Tauzin had received nearly $1 million in contributions from the pharmaceutical industry – and he immediately took a job as PhRMA's CEO and top lobbyist, for which he received a salary of $2 million.

Sen. Max Baucus (D-Mt.), then-chair of the Senate Committee on Finance, lead the legislative effort to pass the 2009 Affordable Care Act. In the five years preceding the bill's introduction, Baucus received more than $3.4 million – about a quarter of his total contributions – from pharmaceutical and health insurance companies and other health sector businesses. Sen. Joe Lieberman (I-Conn.), who opposed the public option and other reforms opposed by industry and whose vote was needed for Senate Democrats to achieve a filibuster-proof majority , received more than $2.1 million from the industry over his career.

A top recipient of pharmaceutical industry funding is the recently retired Sen. Orrin Hatch (R-Utah), who over the course of his career received more than $2.7 million from the industry. Noting Hatch's record as an ally of the industry, a John Hopkins professor referred to Hatch as "PhRMA's man on the Hill" (referring to Pharmaceutical Research and Manufacturers of America, the industry's chief lobbying group). Rep. Anna Eshoo (D-Calif.), chairwoman of the House Energy and Commerce Subcommittee on Health, also is a top recipient of pharma funding, having received more than $1.6 million from the industry over the course of her career. ✦

KEY FACTS:

The pharmaceutical industry has:

- Spent more than $2.7 billion on lobbying in Washington since 2008.
- Contributed more than $225 million in campaign money to Congress over the past 30 years.
- Contributed 44 percent to Congressional Republicans and 56 percent to Congressional Democrats.

The health insurers and HMOs have:

- Spent more than $758 million on lobbying in Washington since 2008.
- Contributed $152 million in campaign money to Congress over the past 30 years.
- Contributed 55 percent to Democrats and 45 percent to Republicans.

SOURCE: Center for Responsive Politics.

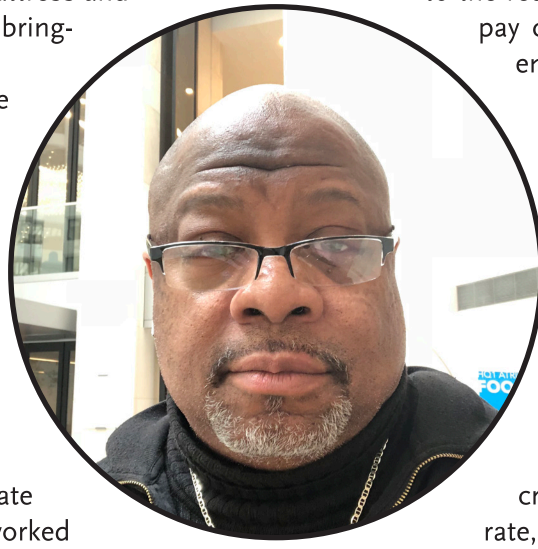
Corporate Power Spotlight: Predatory Mortgage Lending

"I didn't realize that I myself had become a victim of subprime lending." Douglas Coleman, 53, Washington, D.C.

Douglas Coleman still has fond memories of buying his two-bedroom condominium with a skylight and a fireplace in Washington, D.C.

After getting the keys to the $220,000 condo on a snowy February day in 2007, he grabbed his dog, a portable stereo and an inflatable mattress and spent the night there -- even before bringing in his furniture.

"I was so excited to move into the place," he said.



More than a decade later, Coleman, 53, is still dealing with the financial aftermath. He had purchased his home by taking out a risky, no-money-down loan – the kind of loan that was common in the mid-2000s and led to the nationwide foreclosure crisis and Great Recession.

A New York City native and graduate of Howard University, Coleman worked as an information technology specialist for the Department of Housing and Urban Development. After going through a divorce, Coleman was skeptical about his ability to qualify for a loan. A friend connected him with a mortgage broker. Before he knew it, he was a homeowner.

"I was just so eager to get the property," he said. "I thought I was never going to qualify." In retrospect, he said, the lender asked for "very limited documentation, not nearly what enough for what I should have needed to qualify." Despite working at HUD at the time, "I didn't realize that I myself had become a victim of subprime lending," Coleman said.

Coleman's loan changed hands shortly after it was originated, and wound up being handled by Countrywide Financial, the infamous subprime mortgage lender. "I started seeing them on the news. That's when I was like, OK, I think I'm in a very bad situation," Coleman said.

At HUD, Coleman earned a six-figure salary. But after both his father and his sister became ill, Coleman wound up traveling back and forth between Washington and New York to take care of them. Coleman missed a lot of time at work and ultimately resigned from his position so he could take care of his family members, both of whom have since died.

A father of two, Coleman tried to get by on a patchwork of jobs, including a food truck business. But due to the reduction in income and his need to pay child support, he could not make ends meet. He wound up in foreclosure. "I was embarrassed to talk about it," he said. "I didn't really want to say anything. I watched many a friend lose their properties a result of similar loans."

Coleman's struggle highlights how African American communities were targets of predatory lending practices in the 2000s and suffered disproportionately from the foreclosure crisis. The black homeownership rate, which is well below that of other ethnic groups, has now fallen to about 43 percent from a mid-2000s peak of nearly 50 percent.

Around 12 years after getting his loan, Coleman still isn't sure whether he can stay in his home.

With the assistance of lawyers from the Legal Aid Society of the District of Columbia, Coleman received a loan modification, but has not been able to restore his prior income. He now works as a customer support representative for a contractor that provides building services to an international development organization, where he earns about $45,000 a year.

Coleman supplements that modest income by driving an Uber, doing product demonstrations at health-food stores and working for an educational travel company. "I'm working four jobs just to try to make up for the income of the one that that I had before."

Still struggling to get by financially, Coleman is behind on his mortgage, contemplating filing for bankruptcy and thinking about giving up his home.

"I would love to hold onto that property because that was always my dream to move in there," he said. However, he said, "between the constant legal battles, dealing with everything and the emotional stress, it's almost to the point where you're like ...I don't know if it's worth it to continue the fight."

CORPORATE INFLUENCE AT WORK: The mortgage crisis could have been prevented. Despite numerous warnings about rampant predatory practices in the mortgage industry, lawmakers and bank regulators failed to crack down on predatory lending due an intense pushback from lenders.

In the late 1990s and early 2000s several lawmakers in Congress tried to stop subprime lending abuses but these reforms stalled. At the state level, tough predatory lending legislation in Georgia passed in 2002 but was rolled back a few months later amid an industry outcry. Corporate-friendly bank regulators appointed by the Bush administration failed to crack down on predatory lending. Several of the most-troubled institutions, including Countrywide Financial, IndyMac Bancorp and Washington Mutual, were supervised by the federal Office of Thrift Supervision, which failed to regulate those lenders and wound up being merged into another bank regulator. Federal regulators who tried to sound the alarm bell found themselves stymied.

Even after Wall Street and the big banks crashed the financial system with abusive mortgage loans, the industry's influence persisted. The industry fought hard, though unsuccessfully, against the creation of an independent consumer protection agency, the Consumer Financial Protection Bureau. Once the CFPB was created, industry critics then worked to attack and undermine the CFPB through corporate-friendly lawmakers in Congress.

The Obama administration failed to fight aggressively for industry-opposed legislation that would have allowed borrowers to reduce their debts in bankruptcy. It also said no to other alternatives, such as a revival of a federal mortgage refinancing program from the 1930s. Instead, the federal government program that responded to the mortgage crisis helped far fewer homeowners avoid foreclosure than initially promised. Then, the Obama administration's Department of Justice largely shied away from aggressively prosecuting Wall Street banks or executives and failed to break up the largest Wall Street institutions, leaving megabanks in place despite their threat to financial stability.

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LOBBYING AND CAMPAIGN CONTRIBUTIONS: Top recipients of mortgage industry donations, excluding presidential candidates, include Rep. Spencer Bachus (R-Ala,) the former chairman of the House Financial Services Committee, with more than $370,000 during his career, followed by two former chairmen of the Senate Banking Committee, former Sen. Christopher Dodd (D-Conn.), who received $345,000 and Sen. Richard Shelby (R.-Ala.), who received $336,000. ✦

KEY FACTS:

Mortgage bankers and brokers:

- Spent more than $168 million on lobbying in Washington over the past decade.
- Contributed nearly $45 million in campaign money to Congress over the past 30 years, with money coming from PACs and individuals tied to the industry.
- Contributed 55 percent to Congressional Republicans and 45 percent to Democrats.

SOURCE: Center for Responsive Politics.

Acknowledgments

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