

# BALTIMORE ECONOMIC RECOVERY COALITION

## Press Release

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## Community Groups, Elected Officials Unite for Financial Reform and Economic Recovery as Congress Prepares to Take Action and the General Assembly Prepares to Convene

Baltimore, MD – Local community groups, labor unions, and elected officials called this morning on federal and state government to take immediate and aggressive action in response to the financial crisis and deepening recession.

The Federal government needs to contain the current foreclosure crisis through broad-scale loan modifications, bankruptcy reforms, and increased tenant protections. “A failure to provide adequate consumer regulatory protections is the overwhelming cause of the crisis, and the result has been a foreclosure crisis that has destroyed wealth in our community,” said Josh Silver of the National Community Reinvestment Coalition.

“We need significant increases in funding for enforcement of existing protections and more authority for financial service regulation at the state level,” says Robin McKinney of the Maryland CASH Campaign.

“In the third quarter of 2008, Baltimore City represented over 11% of all Maryland foreclosures, and the neighborhoods most impacted are among the most economically disadvantaged,” according to Robert Strupp, Public Policy Director of the Community Law Center. “To address the ongoing foreclosure crisis, legislation should include a mandatory foreclosure freeze and mandate ‘good faith’ attempts to achieve affordable, meaningful and sustainable loan modification with homeowners paying a reasonable amount during the moratorium period.”



“Restoring integrity to the financial system while pursuing immediate efforts to stabilize the finances of average working families is critical,” said Matthew Weinstein of Progressive Maryland. “We must ensure that economic recovery efforts benefit all Americans, in *every* community. The new economic stimulus package must provide targeted assistance by expanding food stamps, unemployment insurance, and federal Medicaid payments to help states address budget shortfalls.”

Investing in new jobs and infrastructure development is critical for neighborhoods in Baltimore. ACORN leader Swanzetta Gardner from West Baltimore said, "Our neighborhoods are ground zero for the economic crisis. We need the federal government to provide the money to make the long awaited repairs to our schools, roads, and bridges. In return this will create jobs in those communities hardest hit. It's a win-win situation." ACORN was also represented at the event by Malita Savage, whose home contracting business has suffered severely from the recession, and Lia Tut, a victim of predatory lending who is in the process of losing her home due to the mortgage crisis.

“Obama's job creation plan could renovate dozens of City schools, by hiring local contractors to replace boilers, install air-conditioning, and repair leaky roofs,” said Bebe Verdery, Director of the ACLU of Maryland's Education Reform Project. “These critical renovations will protect the health and safety of students and staff and address our city’s need to modernize our schools.”

“AFSCME Maryland Council 67 understands the economic needs of our fellow citizens and will work in partnership with Mayor Dixon and the Baltimore Economic Recovery Coalition to increase public awareness, educate citizens and find solutions for the economic problems that this country now faces. We are fully committed to addressing the needs of working families across this State and within Baltimore City,” says Glen S. Middleton, Sr., AFSCME Maryland Council 67 Executive Director.

Also speaking at the event were Ken Strong, Deputy Director for External Affairs for Advocates for Children and Youth and Melissa Broome, Senior Policy Advocate for the Job Opportunities Task Force.

The community-based organizations and labor unions were joined by a number of elected officials\*, including:

- U.S. Senator Benjamin L. Cardin
- U.S. Representative C.A. Dutch Ruppersberger
- U.S. Representative John Sarbanes
- Baltimore City Council President Stephanie Rawlings-Blake
- Baltimore City Council member James Kraft
- Baltimore City Council member Mary Pat Clarke
- Baltimore City Council member Sharon Green Middleton

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\* Some of the elected officials were represented by staff due to other commitments.