

Help us, Not Hurt Us: \$143 Billion in Bank Bonuses Offend People of Faith

SAN MATEO, CA (December 17, 2010) Offended by the plans of large corporate banks to distribute \$143 Billion in executive bonuses at year's end, thirty clergy and lay leaders from Peninsula Interfaith Action (PIA) gathered today to express their outrage outside the historic Bank of America branch in downtown San Mateo. PIA leaders are affronted by the stark contrast between these bonuses and the suffering that families and communities are experiencing from the economic collapse that was caused by these same banks.

"This simply is not fair," says Diana Reddy, veteran PIA community leader. "The current recession has devastated thousands of Americans, and the irresponsible practices of banks are largely to blame. As people of faith, we are offended that these banks are paying such excessive bonuses while doing so little to relieve the pain in our communities. We believe banks should do more to help us, not hurt us."

The current recession has reached deep into people's lives. \$17 trillion in wealth has been wiped out in the past few years. Eight million jobs have been lost. Many millions of homes have been foreclosed - 600,000 in California just last year. Record losses of tax revenue have left local governments unable to provide vital services. Small businesses cannot get loans. Thousands of people have been left homeless and without enough to eat.

PIA believes that banks have done far too little to mitigate the pain they have caused. For example, the banks could go much further in modifying residential mortgages to help people stay in their homes. Instead, homeowners pursuing loan modifications enter a nightmarish world where they cannot get a live person on the phone, paperwork is lost, and they are put on hold until it is too late to save their homes.

In the coming months, PIA will pursue a campaign to promote bank accountability, and encourage banks to invest more in the communities where they do business. Pastor Amy Zucker Morgenstern of the Unitarian Universalist Church of Palo Alto said, "We as taxpayers have made the sacrifice to fund a huge stimulus so that the banks would have the liquidity to make more loans to our communities. Instead, they're turning that money into profits and bonuses. They came to us asking for a handout, but that's not what we're asking from them. We're asking for more loans, loan renegotiation, and simple human dignity." PIA plans to meet with banks to express community outrage over unfair banking practices and get an overview of their current practices, with emphasis on help to home owners, access to credit for small businesses, and support of community programs, and with special interest in banks' current best practices that PIA can champion and promote to other banks.

Founded in 1997, Peninsula Interfaith Action (PIA) is a powerful and respected community organization that focuses on identifying and developing long-lasting solutions to a wide range of local issues. Working with thirty faith-based communities throughout the Peninsula, PIA professional community organizers develop community leaders to take an active role in shaping public policy decisions important to lives going forward. A member of the PICO national network, PIA focuses on policies at the local, state, and national levels in areas such as healthcare, education, affordable housing, public safety, and immigration reform. To learn more about PIA, visit www.piapico.org/.

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