

1 HR75
2 157019-1
3 By Representative Jackson
4 RFD: Rules
5 First Read: 22-JAN-14

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8 RESPECTFULLY URGING CONGRESS TO REENACT PROVISIONS
9 OF THE GLASS-STEAGALL BANKING ACT.

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11 WHEREAS, from 1933 to 1999 the Federal Banking Act
12 of 1933, known as the Glass-Steagall Act, worked effectively
13 to protect the public interest by separating the functions of
14 commercial banking from investment banking, insurance, and
15 securities trading; and

16 WHEREAS, the Glass-Steagall Act was repealed in
17 1999, expanding the ability of financial entities to exploit
18 the financial system for their own gain in disregard of the
19 public interest, and contributing to the greatest speculative
20 bubble and subsequent worldwide economic distress since the
21 Great Depression; and

22 WHEREAS, many of the financial services entities
23 were saved by the United States Treasury at a cost of billions
24 of dollars to American taxpayers; and

25 WHEREAS, the federal reserve continues this bail-out
26 process today, issuing \$85 billion per month in cash
27 throughout 2013 to the "too big to fail" Wall Street banks, to

1 buy their devalued derivatives securities; and these banks
2 have used the money to increase their speculation in financial
3 derivatives, and have decreased lending to Main Street by \$700
4 billion since 2008; and

5 WHEREAS, within the thousands of pages of the
6 Dodd-Frank Wall Street Reform Act, there are no prohibitions
7 preventing the "too big to fail" financial services
8 organizations from investing in or undertaking substantial
9 risks in hundreds of trillions of dollars of derivative
10 contracts; and

11 WHEREAS, a new set of financial bubbles are in full
12 swing, and the American taxpayers are at renewed risk of being
13 forced to cover for losses incurred by derivatives gambling of
14 the financial services conglomerates; and

15 WHEREAS, reenactment of Glass-Steagall provisions
16 would protect the public from these bail-out costs, and free
17 credit resources to be directed into large scale
18 infrastructure and other physical economic investments, with
19 attendant restoration of skilled employment and the tax base;
20 and

21 WHEREAS, bipartisan resolutions urging the United
22 States Congress to reenact the Glass-Steagall banking
23 provisions have been introduced in 25 state legislatures as of
24 December 2013 and these resolutions have passed in four states
25 thus far; and

26 WHEREAS, in the United States House, Congresswoman
27 Marcy Kaptur has introduced H.R. 129, known as the Return to

1 Prudent Banking Act of 2013, to reinstate the provisions of
2 the Glass-Steagall Act, with 78 bipartisan cosponsors as of
3 December 2013; and Representatives Walter Jones and John
4 Tierney have introduced H.R. 3711, the "21st Century
5 Glass-Steagall Act of 2013"; and

6 WHEREAS, in the United States Senate, Senator Tom
7 Harkin has introduced S. 985 to restore Glass-Steagall
8 provisions; and Senators Elizabeth Warren, John McCain, Maria
9 Cantwell, and Angus King have Introduced S. 1285, the "21st
10 Century Glass-Steagall Act of 2013"; now therefore,

11 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF
12 THE LEGISLATURE OF ALABAMA, That we hereby urge the United
13 States Congress and the President of the United States to
14 enact the Glass-Steagall inspired legislation currently before
15 Congress, which will reinstate the separation of commercial
16 and investment banking functions and prohibit commercial banks
17 and bank holding companies from investing in stocks,
18 underwriting securities, or investing in or acting as
19 guarantors to derivatives transactions.

20 BE IT FURTHER RESOLVED, That a copy of this
21 resolution shall be made available to the President of the
22 United States, to presiding officers of each House of
23 Congress, and to each member of the Alabama Congressional
24 delegation.