

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES AND**  
2 **INTERSTATE COMMERCE**

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4 **POLICY: RESOLUTION TO URGE THE CONGRESS AND**  
5 **THE PRESIDENT OF THE UNITED STATES TO**  
6 **ENACT LEGISLATION CURRENTLY BEFORE**  
7 **THE CONGRESS, THAT WOULD REINSTATE**  
8 **THE SEPARATION OF COMMERCIAL AND**  
9 **INVESTMENT BANKING FUNCTIONS**  
10 **PREVIOUSLY IN EFFECT UNDER THE GLASS-**  
11 **STEAGALL ACT.**

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13 **TYPE: RESOLUTION**

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16 WHEREAS, from 1933-1999, the Federal Banking Act of 1933, known as  
17 the Glass-Steagall Act, protected the public interest in matters dealing with  
18 the regulation of commercial and investment banking; and

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20 WHEREAS, the Glass-Steagall Act was repealed in 1999, contributing to  
21 the greatest speculative bubble and worldwide economic distress since the  
22 Great Depression of 1933; and

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24 WHEREAS, the impact on the states has been intense and growing, as the  
25 loss of revenue due to unemployment and U.S. Federal Government cuts  
26 and sequester provisions, and increased demands on state budgets for  
27 compensatory payments, have put severe financial strains on states,  
28 counties, and cities; and

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30 WHEREAS, the Federal Reserve has issued several trillion dollars in cash  
31 to the Wall Street banks to buy their devalued derivatives securities, and

32 the banks have used this money to increase their speculation in similar  
33 derivatives; and this bailout has ironically resulted in a net decrease in real  
34 lending to businesses, state and city projects, only now approaching levels  
35 of 7 years ago; and

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37 WHEREAS, state resolutions urging the U.S. Congress to re-enact the  
38 Glass-Steagall banking law have been introduced in 27 states, and have  
39 passed by large majorities in four; and on June 16th, 2014, 162  
40 organizations representing millions of Americans sent letters to the U.S.  
41 Senate urging adoption of the 21st Century Glass-Steagall Act (S. 1282);  
42 and on July 9, 2014, a group of six institutions, including Public Citizen and  
43 Americans for Financial Reform, delivered petitions with almost 600,000  
44 signatures to the Senate requesting the same action; and

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46 WHEREAS, A bill to restore the Glass-Steagall framework, H.R. 129, has  
47 been introduced into the U.S. House of Representatives by  
48 Congresswoman Marcy Kaptur and currently has 81 bipartisan co-  
49 sponsors; and a similar bipartisan bill, the 21st Century Glass-Steagall Act,  
50 has been introduced into the Senate, S. 1282, by Sens. Warren, McCain,  
51 King and Cantwell with 6 other co-sponsors; and a companion bipartisan  
52 bill in the House, HR 3711, introduced by Reps. Tierney and Jones, has 11  
53 other co-sponsors;

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55 NOW, THEREFORE:

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57 BE IT RESOLVED that the National Conference of State Legislatures urges  
58 Congress to enact the Glass-Steagall legislation currently before the

59 Congress, that reinstates the separation of commercial and investment  
60 banking functions, prohibiting commercial banks and bank holding  
61 companies from investing in stocks, underwriting securities or investing in  
62 or acting as guarantors to derivatives transactions; and

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64 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the  
65 President of the United States, to presiding officers of each house of  
66 Congress, and to each member of Congress.