



HR1093

LRB099 21098 MST 46301 r

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HOUSE RESOLUTION

2 WHEREAS, An effective money and banking system is essential
3 to the functioning of the United States economy; such a system
4 must function in the public interest without any bias; and

5 WHEREAS, Since 1933, the Federal Banking Act, also referred
6 to as the Glass-Steagall Act, has protected the public interest
7 through the regulation of commercial and investment banking,
8 insurance companies, and securities; important provisions of
9 the Glass-Steagall Act were repealed in 1999, partially
10 contributing to the greatest speculative bubble and worldwide
11 recession since the Great Depression; and

12 WHEREAS, The worldwide recession greatly affected our
13 country's economy and citizens' lives; it left millions of
14 homes in foreclosure and caused the loss of millions of jobs
15 nationwide; the recession also put severe financial strains on
16 states, counties, cities, and other municipalities,
17 exacerbating unemployment and the loss of public services; and

18 WHEREAS, The U.S. House of Representatives and U.S. Senate
19 have been making efforts to restore the protections of the
20 Glass-Steagall Act; U.S. Representative Marcy Kaptur has
21 introduced H.R. 381, known as the Return to Prudent Banking Act
22 of 2015, which would revive the separation between commercial

1 banking and the securities business in the manner provided by
2 the Glass-Steagall Act; U.S. Senator Elizabeth Warren, along
3 with Senators John McCain, Maria Cantwell, Angus King, and
4 others have introduced the 21st Century Glass-Steagall Act (S.
5 1709), which would reduce risk for American taxpayers in the
6 financial system and decrease the likelihood of future
7 financial crises; and

8 WHEREAS, The Glass-Steagall Act has widespread national
9 support from prominent economic and business leaders and
10 national publications, including Thomas Hoenig of the Federal
11 Deposit Insurance Corporation, former CEO of Citigroup Sanford
12 Weill, economist Luigi Zingales, the New York Times, the St.
13 Louis Post-Dispatch, the Los Angeles Times, and many others;
14 and

15 WHEREAS, Resolutions demanding action to return to
16 Glass-Steagall protections have been introduced in at least 25
17 states since 2013; Maine and South Dakota both passed
18 resolutions on the matter in 2013; additionally, both the
19 Alabama and Indiana Houses of Representatives adopted
20 resolutions urging action to reinstate Glass-Steagall; and

21 WHEREAS, Overwhelming pressure must be brought to bear on
22 members of the U.S. House of Representatives and U.S. Senate to
23 take action to pass this important legislation; therefore, be

1 it

2 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
3 NINETY-NINTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we
4 urge the United States Congress and the President of the United
5 States to enact legislation that, in order to prevent American
6 taxpayers from being called upon to fund hundreds of billions
7 of dollars to bail out financial institutions, would reinstate
8 the separation of commercial and investment banking functions
9 that was in effect under the Glass-Steagall Act, prohibiting
10 commercial banks and bank holding companies from investing in
11 stocks, from underwriting securities, and from investing in or
12 acting as guarantors to derivative transactions; and be it
13 further

14 RESOLVED, That suitable copies of this resolution be
15 delivered to President Barack Obama, U.S. Speaker of the House
16 Paul Ryan, U.S. Senate Majority Leader Mitch McConnell, and all
17 members of the Illinois Congressional Delegation.