

1       HR190  
2       127382-1  
3       By Representative Jackson  
4       RFD: Rules  
5       First Read: 24-MAR-11

URGING CONGRESS TO ENACT GLASS-STEAGALL ACT.

WHEREAS, the United States banking system is now overwhelmed by useless, devalued, debt instruments known as derivatives; according to the Comptroller of the Currency there were over \$200 trillion of such derivatives on the books of the major banks in 2010; and the Wall Street Journal reported in September 2010 that the swaps derivatives market in the United States alone had over \$600 trillion of contracts being traded; and

WHEREAS, the combined federal bailout of these derivatives has already reached over \$26 trillion resulting in bankrupt states and cities around the nation, who are being asked to make endless cuts in necessary services and productive enterprises to cover the bailout; and

WHEREAS, in 1993, Congress passed the Glass-Steagall Act to address the financial activities of the banking system; under Glass-Steagall, commercial banks set up a firewall between commercial and investment banking and were prohibited from engaging in risky trading activities; Glass-Steagall was

1 law for 66 years until its repeal in 1999, which opened the  
2 floodgates of the current financial bubbles; and

3 WHEREAS, economist Lyndon LaRouche has led the  
4 effort to reinstate Glass-Steagall and he is now being joined  
5 by economists, journalists, and political leaders worldwide;  
6 there are now bills in the United States Congress to reinstate  
7 Glass-Steagall, including HR 4375 and S. 2886 in Congress; and

8 WHEREAS, the reenactment of Glass-Steagall should be  
9 followed by the immediate easing of federal credit to launch  
10 massive national infrastructure projects putting the nation  
11 back on the traditional American path to durable, industrial  
12 recovery; now therefore,

13 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF  
14 THE LEGISLATURE OF ALABAMA, That we urge Congress to  
15 immediately pass the Glass-Steagall Act as introduced in  
16 Congress.

17 BE IT FURTHER RESOLVED, That copies of this  
18 resolution shall be provided to members of the Alabama  
19 Congressional Delegation.