

1 HJR121  
2 149739-1  
3 By Representatives Jackson, Grimsley, Buskey, Boyd, Colston,  
4 Melton, England, Forte, Hammon, Warren, Black, Coleman-Evans,  
5 Robinson (J), Rogers, Moore (M), McAdory, Burdine, Hall and  
6 Millican  
7 RFD: Rules  
8 First Read: 28-FEB-13

8 URGING CONGRESS TO SUPPORT EFFORTS TO REINSTATE THE  
9 SEPARATION OF COMMERCIAL AND INVESTMENT BANKING FUNCTIONS IN  
10 EFFECT UNDER THE GLASS-STEAGALL ACT.

11  
12 WHEREAS, an effective money and banking system is  
13 essential to the functioning of the economy; and

14 WHEREAS, the Federal Banking Act of 1933, known as  
15 the Glass-Steagall Act, protected the public interest in  
16 matters dealing with the regulation of commercial and  
17 investment banking, in addition to insurance companies and  
18 securities; and

19 WHEREAS, the act was repealed in 1999, partially  
20 contributing to the greatest speculative bubble and worldwide  
21 recession since the Great Depression of 1933, leaving millions  
22 of homeowners in foreclosure, causing the loss of millions of  
23 jobs nationwide, and placing severe financial strains on  
24 states, counties, and cities, exacerbating unemployment and  
25 loss of civil services; and

WHEREAS, Congress has been making efforts to restore the protections of Glass-Steagall through House Resolution 129, the Return to Prudent Banking Act of 2013, which seeks to revive the separation between commercial banking and investment banking, as was done in Glass-Steagall; and

WHEREAS, the 2013 act has widespread national support from such organizations as the American Federation of Labor and Congress of Industrial Organizations, the American Federation of Teachers, the International Association of Machinists, as well as from prominent economic and business leaders, including Thomas Hoenig of the FDIC, Sanford Weill, former CEO of Citigroup, economist Luigi Zingales, the New York Times, the St. Louis Post Dispatch, the Los Angeles Times, and many others; now therefore,

BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH HOUSES THEREOF CONCURRING, That we urge Congress to enact legislation that would reinstate the separation of commercial and investment banking functions that were in effect under Glass-Steagall, prohibiting commercial banks and bank holding companies from investing in stocks, underwriting securities or investing in or acting as guarantors to derivative transactions, in order to prevent future bail outs of financial institutions.

BE IT FURTHER RESOLVED, That a copy of this resolution be provided for distribution to the President of

1 the United States, to the presiding officers of each house of  
2 Congress, and to each member of Congress from Alabama.