

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

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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.

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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19 WHEREAS, the act was repealed in 1999, partially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

1 WHEREAS, Congress has been making efforts to restore
2 the protections of Glass-Steagall through House Resolution
3 129, the Return to Prudent Banking Act of 2013, which seeks to
4 revive the separation between commercial banking and
5 investment banking, as was done in Glass-Steagall; and

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

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

24 BE IT FURTHER RESOLVED, That a copy of this
25 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.