

Senate Resolution 1 - Introduced

SENATE RESOLUTION NO. 1

BY PETERSEN

1 A Resolution urging the United States Congress and the
2 President of the United States to enact legislation
3 that would reinstate the separation of commercial
4 and investment banking functions previously in
5 effect under the federal Glass-Steagall Act.

6 WHEREAS, an effective money and banking system is
7 essential to the functioning of the United States
8 economy; and

9 WHEREAS, such a system must function in the public
10 interest without any bias; and

11 WHEREAS, since 1933, the federal Banking Act, also
12 referred to as the Glass-Steagall Act, protected the
13 public interest in matters dealing with the regulation
14 of commercial and investment banking, in addition to
15 insurance companies and securities; and

16 WHEREAS, the Glass-Steagall Act was repealed
17 in 1999, partially contributing to the greatest
18 speculative bubble and worldwide recession since the
19 Great Depression of 1933; and

20 WHEREAS, the worldwide recession has left millions
21 of homes in foreclosure and caused the loss of millions
22 of jobs in the United States; and

23 WHEREAS, the worldwide recession has put severe
24 financial strain on states, counties, and cities,
25 exacerbating unemployment and the loss of public
26 services; and

27 WHEREAS, the United States Congress has been making
28 efforts with bipartisan support to reinstate the

1 protections of the Glass-Steagall Act; and

2 WHEREAS, Congresswoman Marcy Kaptur introduced H.R.
3 381, known as the Return to Prudent Banking Act of
4 2015, and Senator Elizabeth Warren introduced S. 1709,
5 known as the 21st Century Glass-Steagall Act of 2015,
6 that would reinstate the separation between commercial
7 banking and the securities business in the manner
8 provided in the Glass-Steagall Act; and

9 WHEREAS, resolutions demanding action to reinstate
10 the protections of the Glass-Steagall Act have been
11 introduced in many states since 2013; and

12 WHEREAS, reinstatement of the protections of the
13 Glass-Steagall Act has support from national labor
14 organizations, economic and business leaders, and
15 newspaper publications; NOW THEREFORE,

16 BE IT RESOLVED BY THE SENATE, That the Iowa Senate
17 urges the United States Congress and the President
18 of the United States to enact legislation that would
19 reinstate the separation of commercial and investment
20 banking functions in effect under the Glass-Steagall
21 Act and that would prohibit commercial banks and
22 bank holding companies from investing in stocks,
23 underwriting securities, or investing in or acting
24 as guarantors to derivative transactions, in order
25 to prevent American taxpayers from being called upon
26 to fund hundreds of billions of dollars to bail out
27 financial institutions; and

28 BE IT FURTHER RESOLVED, That the Secretary of
29 the Senate shall transmit certified copies of this
30 Senate Resolution to the President of the United

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1 States, the President of the United States Senate, the
2 Speaker of the United States House of Representatives,
3 United States Senator Elizabeth Warren, United States
4 Representative Marcy Kaptur, and to the members of the
5 Iowa congressional delegation.