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## HOUSE JOINT RESOLUTION NO. 642

Offered January 11, 2017

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*Memorializing the Congress of the United States to enact legislation to reinstate the separation of commercial and investment banking functions that was in effect under the Glass-Steagall Act.*

Patrons—Rasoul, Austin, Bagby, Boysko, Hope, Kory and Marshall, R.G.

Referred to Committee on Rules

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

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commercial and investment banking, and insurance companies, and important provisions of the Glass-Steagall Act were repealed in 1999, partially contributing to the greatest speculative bubble and worldwide recession since the Great Depression; and

WHEREAS, the worldwide recession greatly affected our country's economy and our citizens' lives, leaving millions of homes in foreclosure and causing the loss of millions of jobs nationwide, and put severe financial strains on states, counties, cities, and other municipalities, further exacerbating unemployment and the loss of public services; and

WHEREAS, the United States House of Representatives and the United States Senate have been making efforts to restore the protections of the Glass-Steagall Act, including the introduction of the Return to Prudent Banking Act of 2015, which would revive the separation between commercial banking and the securities business, and the 21st Century Glass-Steagall Act, which would reduce risk for American taxpayers in the financial system and decrease the likelihood of future financial crises; and

WHEREAS, the Glass-Steagall Act now has widespread national support from prominent economic and business leaders and national publications; and

WHEREAS, resolutions demanding action to return to Glass-Steagall protections have been introduced in at least 25 states since 2013; and

WHEREAS, overwhelming pressure must be brought to bear on the members of the United States Congress to take action to pass this important legislation; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Congress of the United States be urged to enact legislation to reinstate the separation of commercial and investment banking functions that was in effect under the Glass-Steagall Act. Such legislation, in order to prevent American taxpayers from being called upon to fund hundreds of billions of dollars to bail out financial institutions, would prohibit commercial banks and bank holding companies from investing in stocks, underwriting securities, and investing in or acting as guarantors to derivative transactions; and, be it

RESOLVED FURTHER, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation so that they may be apprised of the sense of the General Assembly of Virginia in this matter.

INTRODUCED

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