

SENATE JOINT RESOLUTION 8

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By: **Senators Muse, Benson, Currie, Jones–Rodwell, Ramirez, and Stone**

Introduced and read first time: February 19, 2014

Assigned to: Rules

SENATE JOINT RESOLUTION

1 A Senate Joint Resolution concerning

2 **Reinstatement of the Separation of Commercial and Investment Banking**
3 **Functions**

4 FOR the purpose of urging the United States Congress to support efforts to reinstate
5 the separation of commercial and investment banking functions in effect under
6 the Glass–Steagall Act and to support H. R. 129.

7 WHEREAS, An effective money and banking system is essential to the
8 functioning of the economy; and

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

11 WHEREAS, Since 1933, the Federal Banking Act of 1933, known as the
12 Glass–Steagall Act, protected the public interest in matters dealing with the
13 regulation of commercial and investment banking, in addition to insurance companies
14 and securities; and

15 WHEREAS, The Glass–Steagall Act was repealed in 1999, partially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

18 WHEREAS, The worldwide recession has left millions of homes in foreclosure;
19 and

20 WHEREAS, The worldwide recession has cost the loss of millions of jobs
21 nationwide; and

22 WHEREAS, The worldwide recession has put severe financial strain on states,
23 counties, and cities, exacerbating unemployment and loss of civil services; and



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1 WHEREAS, The United States Senate and the House of Representatives have
2 been making efforts to restore the protections of the Glass–Steagall Act; and

3 WHEREAS, Congresswoman Marcy Kaptur has introduced H. R. 129, known as
4 the Return to Prudent Banking Act of 2013, that would revive the separation between
5 commercial banking and the securities business in the manner provided in the
6 Glass–Steagall Act; and

7 WHEREAS, Restoration of the protections of the Glass–Steagall Act has
8 widespread national support from labor organizations, including the American
9 Federation of Labor and Congress of Industrial Organizations (AFL–CIO), the
10 American Federation of Teachers, and the International Association of Machinists;
11 from prominent economic and business leaders, including Thomas Hoenig of the
12 Federal Deposit Insurance Company, Sanford Weill, former Chief Executive Officer of
13 Citigroup, and economist Luigi Zingales; and from newspapers, including the New
14 York Times, the St. Louis Post Dispatch, the Los Angeles Times, and many others;
15 now, therefore, be it

16 RESOLVED, BY THE GENERAL ASSEMBLY OF MARYLAND, That the
17 members of the Maryland General Assembly urge the United States Congress to enact
18 legislation that would reinstate the separation of commercial and investment banking
19 functions in effect under the Glass–Steagall Act and that would prohibit commercial
20 banks and bank holding companies from investing in stocks, underwriting securities,
21 or investing in or acting as guarantors to derivative transactions to prevent American
22 taxpayers from being called upon to fund hundreds of billions of dollars to bail out
23 financial institutions; and be it further

24 RESOLVED, That a copy of this Resolution be forwarded by the Department of
25 Legislative Services to the President of the United States, 1600 Pennsylvania Avenue
26 NW, Washington, D.C. 20500; the Vice President of the United States, 1600
27 Pennsylvania Avenue NW, Washington, D.C. 20500; the Speaker of the House, H–232
28 The Capitol, Washington, D.C. 20515; Representative Marcy Kaptur, House Office
29 Building, Washington, D.C. 20515; and the Maryland Congressional Delegation:
30 Senators Barbara A. Mikulski and Benjamin L. Cardin, Senate Office Building,
31 Washington, D.C. 20510; and Representatives C. A. Dutch Ruppertsberger III, John P.
32 Sarbanes, Donna Edwards, Steny Hamilton Hoyer, Andrew P. Harris, John Delaney,
33 Elijah E. Cummings, and Christopher Van Hollen, Jr., House Office Building,
34 Washington, D.C. 20515.