

Resolutions Submitted to NCSL Minneapolis Meeting

I. Glass-Steagall

Interstate Commerce Committee

Policy: Resolution to urge the Congress and the President of the United States to enact legislation currently before the Congress, that would reinstate the separation of commercial and investment banking functions previously in effect under the Glass-Steagall Act.

Whereas, from 1933-1999, the Federal Banking Act of 1933, known as the Glass-Steagall Act, protected the public interest in matters dealing with the regulation of commercial and investment banking; and

Whereas, the Glass-Steagall Act was repealed in 1999, contributing to the greatest speculative bubble and worldwide economic distress since the Great Depression of 1933; and

Whereas, the impact on the states has been intense and growing, as the loss of revenue due to unemployment and U.S. Federal Government cuts and sequester provisions, and increased demands on state budgets for compensatory payments, have put severe financial strains on states, counties, and cities; and

Whereas, the Federal Reserve has issued several trillion dollars in cash to the Wall Street banks to buy their devalued derivatives securities, and the banks have used this money to increase their speculation in similar derivatives; and this bailout has ironically resulted in a net decrease in real lending to businesses, state and city projects, only now approaching levels of 7 years ago; and

Whereas, state resolutions urging the U.S. Congress to re-enact the Glass-Steagall banking law have been introduced in 27 states, and have passed by large majorities in four; and on June 16th, 2014, 162 organizations representing millions of Americans sent letters to the U.S. Senate urging adoption of the 21st Century Glass-Steagall Act (S. 1282); and on July 9, 2014, a group of six institutions, including Public Citizen and Americans for Financial Reform, delivered petitions with almost 600,000 signatures to the Senate requesting the same action; and

Whereas, A bill to restore the Glass-Steagall framework, H.R. 129, has been introduced into the U.S.

House of Representatives by Congresswoman Marcy Kaptur and currently has 81 bipartisan co-sponsors; and a similar bipartisan bill, the 21st Century Glass-Steagall Act, has been introduced into the Senate, S. 1282, by Sens. Warren, McCain, King and Cantwell with 6 other co-sponsors; and a companion bipartisan bill in the House, HR 3711, introduced by Reps. Tierney and Jones, has 11 other co-sponsors;

NOW, THEREFORE: BE IT RESOLVED that the National Conference of State Legislatures urges Congress to enact the Glass-Steagall legislation currently before the Congress, that reinstates the separation of commercial and investment banking functions, prohibiting commercial banks and bank holding companies from investing in stocks, underwriting securities or investing in or acting as guarantors to derivatives transactions; and

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the President of the United States, to presiding officers of each house of Congress, and to each member of Congress.

II. Four Laws

Committees: Communications, Financial Services and Interstate Commerce

Natural Resources and Infrastructure

Policy: Returning the United States to a constitutional credit system in order to accomplish an actual economic recovery

Type: Resolution

Whereas, the indebtedness of the global financial system has increased since 2008, with 2014 derivative holdings increasing to \$1.9 quadrillion, creating the conditions for a financial breakdown far worse than the 2008 crash, it is urgent and necessary that Glass-Steagall be passed and implemented immediately; and

Whereas, a New Development Bank was just established by the BRICS conference of Brazil, Russia, India, China and South Africa, to capitalize great projects such as canals, high speed rail corridors, and nuclear power plants, in nations from South America, Asia, and Africa; and

Whereas, this approach to economic growth and scientific progress originated with the U.S. Constitutional credit system designed by Americas founders, including Alexander Hamilton and Ben Franklin; and

Whereas, an American economic recovery will require a return to the U.S. Constitutional provisions for national banking and federal credit under the authority of the U.S. Treasury Secretary, as done under the Ad-

ministrations of George Washington and John Quincy Adams, and Abraham Lincoln's "Greenbacks"; and

Whereas, under these Constitutional provisions, national credit will be made available for creation of productive jobs, restoring the dignity of our workforce, and restoring full funding to high-technology investments, fusion power research and a science-driver program for the economy; and

Whereas, overcoming the deficits of the past lost decades while preparing humanity for the challenges of the future on earth and in the Solar system are essential for our nation's future;

NOW THEREFORE BE IT RESOLVED THAT the National Conference of State Legislatures hereby calls upon the Congress of the United States to initiate the following four part program, to remedy the current crisis and launch a dramatic and durable economic recovery:

1. Re-enact Franklin Roosevelt's Glass-Steagall protections, including the bills now before the Congress (HR 129, S 1282), to eliminate the worthless assets on the books of the major US banks, which are dragging the economy into imminent evaporation;

2. Return to a national banking-and-credit system, modeled on the principles of the Alexander Hamilton Bank of the United States, the Reconstruction Finance

Corporation of Franklin Roosevelt, and the Greenback program of Abraham Lincoln. This approach restores to the Treasury Department its rightful Constitutional role as the generator of direct federal credit to urgently needed infrastructure and industrial and farm programs;

3. Use the Federal credit-system, to generate high-productivity trends in improvements of employment, with the accompanying intention, to increase the physical-economic productivity, and the standard of living of the persons and households of the United States. This will include the launching of a reconstruction of our water, power, transportation and all categories of infrastructure, including the deployment of nuclear power and high speed rail, as is being implemented throughout Asia, and now South America.

4. Launch a crash program to finally bring nuclear fusion on line; this technology has been languishing for lack of funding, but is the immediate driver for a solution to the need for cheap, limitless power, and the source of whole new categories of raw and man-made materials.

BE IT FURTHER RESOLVED THAT a copy of this resolution be sent to the President of the United States, to the presiding officers of each house of the Congress, and to each member of Congress.

REVIVE GLASS-STEAGALL NOW!



"The point is, we need Glass-Steagall immediately. We need it because that's our only insurance to save the nation.... Get Glass-Steagall in, and we can work our way to solve the other things that need to be cleaned up. If we don't get Glass-Steagall in first, we're in a mess!"

—Lyndon LaRouche, Feb. 11, 2013



LaRouchePAC is now leading a nationwide effort to push through legislation for Glass-Steagall (www.larouchepac.com).

WATCH the [LaRouchePAC video](#):

'Glass-Steagall: Signing a Revolution'

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