
SENATE JOINT MEMORIAL 8003

State of Washington

66th Legislature

2019 Regular Session

By Senators Hasegawa, Saldaña, Palumbo, and Nguyen

Read first time 01/15/19. Referred to Committee on Financial Institutions, Economic Development & Trade.

1 TO THE HONORABLE DONALD TRUMP, PRESIDENT OF THE UNITED STATES,
2 AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
3 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF
4 THE UNITED STATES, IN CONGRESS ASSEMBLED:

5 We, your Memorialists, the Senate and House of Representatives of
6 the State of Washington, in legislative session assembled,
7 respectfully represent and petition as follows:

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

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

12 WHEREAS, Since 1933, the federal banking act of 1933, known as
13 the Glass-Steagall act, protected the public interest in matters
14 dealing with the regulation of commercial and investment banking, in
15 addition to insurance companies and securities; and

16 WHEREAS, The Glass-Steagall act was repealed in 1999, partially
17 contributing to the greatest speculative bubble and worldwide
18 recession since the great depression of 1933; and

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

21 WHEREAS, The worldwide recession has caused the loss of millions
22 of jobs nationwide; and

1 WHEREAS, The worldwide recession has put severe financial strains
2 on states, counties, and cities, exacerbating unemployment and the
3 loss of civil services; and

4 WHEREAS, The United States senate and house of representatives
5 have been making efforts to restore the protections of the Glass-
6 Steagall act; and

7 WHEREAS, Many banks have amassed so much money that they have
8 been arbitrarily determined to be "too big to fail" by federal
9 politicians, which has resulted in United States taxpayers having to
10 bail them out with hundreds of billions of hard earned taxpayer
11 dollars for the overreach in speculative investments that are now
12 permitted due to the lack of Glass-Steagall restrictions against such
13 investments using depositors' money; and

14 WHEREAS, Congresswoman Marcy Kaptur has introduced H.R. 790,
15 known as the return to prudent banking act of 2017, which revives the
16 separation between commercial banking and the securities business in
17 the manner provided in the Glass-Steagall act; and

18 WHEREAS, The Glass-Steagall act has widespread, bipartisan
19 national support from such organizations as the democratic national
20 committee party platform, the republican national committee party
21 platform, the American federation of labor and congress of industrial
22 organizations (AFL-CIO), the American federation of teachers, and the
23 international association of machinists, as well as from prominent
24 economic and business leaders, including Thomas Hoenig of the FDIC,
25 Sanford Weill, former CEO of Citigroup, economist Luigi Zingales, the
26 New York Times, the St. Louis Post Dispatch, the Los Angeles Times,
27 and many others;

28 NOW, THEREFORE, Your Memorialists respectfully pray that Congress
29 enact legislation that would reinstate the separation of commercial
30 and investment banking functions that were in effect under the Glass-
31 Steagall act, prohibiting commercial banks and bank holding companies
32 from investing in stocks, underwriting securities, or investing in or
33 acting as guarantors to derivative transactions, in order to prevent
34 American taxpayers from being called upon to fund hundreds of
35 billions of dollars to bail out financial institutions;

36 BE IT RESOLVED, That copies of this Memorial be immediately
37 transmitted to the Honorable Donald Trump, President of the United
38 States, Congresswoman Marcy Kaptur, the President of the United

1 States Senate, the Speaker of the House of Representatives, and each
2 member of Congress from the State of Washington.

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