S-0492.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SENATE JOINT MEMORIAL 8003**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 66th Legislature 2019 Regular Session**

**By** Senators Hasegawa, Saldaña, Palumbo, and Nguyen

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

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

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

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

WHEREAS, Since 1933, 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, in addition to insurance companies and securities; and

WHEREAS, The Glass-Steagall act was repealed in 1999, partially contributing to the greatest speculative bubble and worldwide recession since the great depression of 1933; and

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

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

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

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

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

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

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

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

BE IT RESOLVED, That copies of this Memorial be immediately transmitted to the Honorable Donald Trump, President of the United States, Congresswoman Marcy Kaptur, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.