

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge, (BY REQUEST)

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying resolution:

Resolutions calling on the United States Congress to support prudent banking.

PETITION OF:

NAME:

Arleen Martino

DISTRICT/ADDRESS:

94 Goldsmith Street Littleton, MA 01460

SENATE No.

By Mr. Eldridge (by request), a petition (subject to Joint Rule 12) of Arleen Martino for the adoption of resolutions to call on the United States Congress to support prudent banking. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

Resolutions calling on the United States Congress to support prudent banking.

1 WHEREAS, an effective money and banking system is essential to the functioning of the
2 economy; and

3 WHEREAS, since 1933, and for 66 years, the Glass-Steagall Act protected the public
4 interest in matters dealing with the regulation of commercial and investment banking, in addition
5 to insurance companies and securities; and

6 WHEREAS, the Glass-Steagall Act of 1933 was repealed in 1999, permitting members of
7 the financial industry to exploit the financial system for their own gain in disregard for the public
8 interest; and

9 WHEREAS, many of the financial industry entities were "bailed out" by the United
10 States Treasury at a cost of hundreds of billions of dollars to the American taxpayers; and

11 WHEREAS, the expanding derivatives holdings and actual insolvency of the largest
12 banks continue to put the American taxpayers at risk for the next round of bank failures; and

13 WHEREAS, these bank failures will lead to more bailouts as well as the implementation
14 of the "bail-in" policy provided for in Title II of the Dodd-Frank Act, where public and private
15 deposits, pensions, and savings in banks will be seized to recapitalize banks; and

16 WHEREAS, by contrast, an orderly bankruptcy would be made possible by the
17 reinstatement of the Glass-Steagall Act of 1933; and

18 WHEREAS, Congresswoman Marcy Kaptur and Congressman Walter Jones have
19 introduced H.R.129, "Return to Prudent Banking Act of 2013", and Senator Tom Harkin has
20 introduced the Senate companion bill, S.985, which calls for reviving the separation between

21 commercial banking and the securities business in the manner provided in the Glass-Steagall Act
22 of 1933; and

23 WHEREAS Senators Elizabeth Warren, John McCain, and Maria Cantwell have
24 introduced S.1282, “21st Century Glass-Steagall Act of 2013”, now therefore be it

25 RESOLVED, that the Massachusetts State Senate hereby calls on the 113th United States
26 Congress to support and pass H.R.129, S.985, and S.1282 which will reinstate the separation of
27 commercial and investment banks and bank holding companies from investing in stocks,
28 underwriting securities or investing in or acting as guarantors to derivatives transactions, in order
29 to prevent American taxpayers from being called upon to fund hundreds of billions of dollars to
30 bail out or bail in financial institutions, as well as secure a safe American banking system, which
31 can protect deposits, and supply needed credit for a productive economy; and be it further

32 RESOLVED, that a copy of these resolutions be transmitted forthwith by the Clerk of the
33 Massachusetts Senate to the presiding officer of each branch of the 113th United States Congress
34 and to the members of those branches from the Commonwealth of Massachusetts.