
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 268 Session of
2017

INTRODUCED BY RABB, McCLINTON, GAINNEY, FREEMAN, PASHINSKI,
THOMAS, DeLUCA, ROZZI, DRISCOLL, KORTZ AND SIMS,
APRIL 20, 2017

REFERRED TO COMMITTEE ON COMMERCE, APRIL 20, 2017

A RESOLUTION

1 Urging the Congress of the United States to support efforts to
2 reinstate the separation of commercial and investment banking
3 functions previously in effect under the Glass-Steagall Act
4 and support efforts to return to national banking policies to
5 repair our nation's infrastructure.

6 WHEREAS, The Federal Reserve has fed a speculative bubble on
7 Wall Street, much like that of 2007; and

8 WHEREAS, This speculative bubble is tied to more than \$250
9 trillion of derivatives officially on the books of the major
10 Wall Street banks; and

11 WHEREAS, This speculative bubble has soaked up all available
12 credit and resulted in a weak performance of the United States
13 economy; and

14 WHEREAS, State budgets throughout the nation have reflected
15 the constriction of revenue due to the collapse of production
16 and high-paying jobs; and

17 WHEREAS, A growing, productive economy will require a return
18 to the policies that successfully guided the nation out of
19 similar crises, including the creation of direct credit to

1 industry, infrastructure investment and science-driven
2 innovations; and

3 WHEREAS, A prudent course of action would be to restore the
4 provisions of the Glass-Steagall Act that immediately separate
5 investment and commercial banking; and

6 WHEREAS, As law for 66 years, the Glass-Steagall Act
7 prevented banking crises like the one experienced in 2008; and

8 WHEREAS, A return to national banking and direct credit to
9 industry and infrastructure was completed under President George
10 Washington and Secretary of the Treasury Alexander Hamilton,
11 President John Quincy Adams, President Abraham Lincoln and
12 President Franklin D. Roosevelt; and

13 WHEREAS, The early infrastructure of the United States, from
14 canals to rail systems, was built by national banks; and

15 WHEREAS, National banking policies orchestrated by Henry
16 Carey under President Abraham Lincoln created industrial
17 expansion, including the construction of modern rail and steel
18 programs; and

19 WHEREAS, The Reconstruction Finance Corporation (RFC), a
20 Federal credit program approved in 1932, was modeled on the War
21 Finance Corporation and on Alexander Hamilton's prototype, the
22 First National Bank; and

23 WHEREAS, The Commonwealth of Pennsylvania recovered from the
24 Great Depression during Franklin D. Roosevelt's administration
25 through significant RFC projects, including the construction of
26 the Keystone Corridor electrification project and the landmark
27 Pennsylvania Turnpike; and

28 WHEREAS, A new national bank would be chartered with no less
29 than \$1 trillion of capital, not taxpayer funds, to finance new
30 projects; and

1 WHEREAS, This approach would put millions of unemployed or
2 underemployed people, especially young people, back to work;
3 therefore be it

4 RESOLVED, That the House of Representatives of the
5 Commonwealth of Pennsylvania urge the Congress of the United
6 States to immediately reinstate the separation of commercial and
7 investment banking functions in effect under the Glass-Steagall
8 Act and support efforts to return to national banking policies
9 to repair our nation's infrastructure; and be it further

10 RESOLVED, That copies of this resolution be transmitted to
11 the President of the United States, to the presiding officers of
12 each house of Congress and to each member of Congress from
13 Pennsylvania.