

# State of South Dakota

EIGHTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2013

750U0699

## SENATE CONCURRENT RESOLUTION NO. 6

Introduced by: Senators Begalka, Adelstein, Bradford, Frerichs, Jensen, Kirkeby, Lederman, Maher, Monroe, Omdahl, Otten (Ernie), Rave, Rhoden, Sutton, Tieszen, Van Gerpen, Vehle, and Welke and Representatives Miller, Bartling, Campbell, Carson, Conzet, Craig, Cronin, Ecklund, Erickson, Feickert, Feinstein, Gibson, Gosch, Haggar (Don), Haggar (Jenna), Hansen, Hawks, Heinemann (Leslie), Heinert, Hickey, Hoffman, Hunhoff (Bernie), Killer, Kirschman, Kopp, Lust, Magstadt, May, Mickelson, Munsterman, Nelson, Olson (Betty), Otten (Herman), Parsley, Peterson, Qualm, Rasmussen, Ring, Schaefer, Schoenfish, Schrempp, Sly, Stalzer, Steele, Stevens, Tulson, Verchio, Werner, Westra, Wick, and Wink

- 1 A CONCURRENT RESOLUTION, Requesting the Congress of the United States to enact  
2 legislation that would reinstate the separation of commercial and investment banking  
3 functions that were in effect under the Glass-Steagall Act (Banking Act of 1933).  
4 WHEREAS, an effective monetary and banking system is essential to the proper function  
5 of the economy; and  
6 WHEREAS, an effective monetary and banking system must function in the public interest  
7 without bias; and  
8 WHEREAS, the federal Banking Act of 1933, commonly referred to as the Glass-Steagall  
9 Act, protected the public interest in matters dealing with the regulation of commercial and  
10 investment banking, in addition to insurance companies and securities firms; and  
11 WHEREAS, the Glass-Steagall Act was repealed in 1999, permitting members of the



1 financial industry to exploit the financial system for their own gain in disregard of the public  
2 interest; and

3 WHEREAS, many financial industry entities were saved by the United States Treasury at  
4 a cost of billions of dollars to American taxpayers; and

5 WHEREAS, within the hundreds of pages of the Dodd-Frank Wall Street Reform and  
6 Consumer Protection Act, there are no prohibitions that prevent "too big to fail" financial  
7 services organizations from investing in or undertaking substantial risks involving trillions of  
8 dollars of derivative contracts; and

9 WHEREAS, the American taxpayers continue to be at risk for the next round of bank  
10 failures, as enormous risks are undertaken by financial services conglomerates:

11 NOW, THEREFORE, BE IT RESOLVED, by the Senate of the Eighty-Eighth Legislature  
12 of the State of South Dakota, the House of Representatives concurring therein, that the Congress  
13 of the United States is urged to enact legislation that would reinstate the separation of  
14 commercial and investment banking functions that were in effect under the Glass-Steagall Act  
15 (Banking Act of 1933). That Act prohibited commercial banks and bank holding companies  
16 from investing in stocks, underwriting securities, or investing in or acting as guarantors to  
17 derivative transactions, in order to prevent American taxpayers from being called upon to fund  
18 hundreds of billions of dollars to bail out financial institutions.