**A** **CONCURRENT RESOLUTION**

TO MEMORIALIZE THE UNITED STATES CONGRESS TO REENACT CERTAIN PROVISIONS OF THE GLASS‑STEAGALL ACT THAT WERE ESSENTIAL TO PROVIDING STABLE ECONOMIC MARKETS FOLLOWING THE GREAT DEPRESSION BUT WHICH WERE REPEALED IN 1999, CONTRIBUTING SUBSTANTIALLY TO HIGH‑RISK BANKING AND INVESTMENT PRACTICES THAT CAUSED THE GREAT RECESSION.

Whereas, in the aftermath of the Great Depression, the United States Congress enacted the Banking Act of 1933, popularly known as the Glass‑Steagall Act, which established the FDIC and imposed many various banking reforms including provisions restricting affiliations between banks and securities firms; and

Whereas, in 1999, Congress enacted the Gramm‑Leach‑Bliley Act, also known as the Financial Services Modernization Act of 1999, which repealed Sections twenty and thirty‑two of the Glass‑Steagall Act, which prohibited any one financial institution from acting as any combination of an investment security firm, a commercial bank, and an insurance brokerage; and

Whereas, the repeal of these provisions of the Glass‑Stegall Act resulted in the growth of large banks that sought to generate tremendous fees by engaging in reckless practices such as lowering mortgage lending standards to generate a greater number of high‑risk or subprime mortgages which were bundled and traded in the financial markets; and

Whereas, when the nation’s economy slowed and borrowers were unable to make payments on these subprime mortgages, a rash of foreclosures ensued, causing millions of Americans to lose their homes and obliterating the value of mortgage‑based investments, which resulted in a dramatic loss of capital in our nation’s banking system and virtually ending the availability of credit, which previously had enabled our nation to prosper overall; and

Whereas, as a result, in 2008, the United States faced an economic catastrophe of an epic scale not seen since the Great Depression, or worse, while the very banks that had engaged in such foolhardy conduct became considered “Too Big to Fail” and had to be rescued with public funds; and

Whereas, although subsequently enacted reforms addressed many issues underlying the financial crisis, the most astute path would be to reenact the repealed provisions of the Glass‑Stegall Act that contributed to the financially sound lending practices on which our nation’s economy remained relatively stable for over five decades following the Great Depression, until undone by the repeal. Now, therefore,

Be it resolved by the House of Representatives, the Senate concurring:

That the members of the General Assembly of the State of South Carolina, by this resolution, memorialize the United States Congress to reenact certain provisions of the Glass‑Steagall Act that were essential to providing stable economic markets following the Great Depression but which were repealed in 1999, contributing substantially to high‑risk banking and investment practices that caused the Great Recession.

Be it further resolved that a copy of this resolution be forwarded to the President of the United States Senate, the Speaker of the United States House of Representatives, and each member of the South Carolina Congressional Delegation.

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