

RESOLUTION NO. 32-13

BY: **ANDY SCHOFIELD**

A RESOLUTION IN SUPPORT OF H.R. 129,
KNOWN AS *THE RETURN TO PRUDENT
BANKING ACT OF 2013*, AND DECLARING AN
EMERGENCY

WHEREAS, an effective monetary and banking system is essential to the proper function of the economy; and,

WHEREAS, an effective monetary and banking system must function in the public interest without bias; and,

WHEREAS, *The Federal Banking Act of 1933*, commonly referred to 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 firms; and,

WHEREAS, *The Glass-Steagall Act* was repealed in 1999, permitting members of the financial industry to exploit the financial system for their own gain in disregard of the public interest; and,

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

WHEREAS, within the hundreds of pages of *The Dodd-Frank Wall Street Reform Act*, there are no prohibitions preventing “too big to fail” financial services organizations from investing in or undertaking substantial risks in trillions of dollars of derivative contracts; and,

WHEREAS, the American taxpayers continue to be at risk for the next round of bank failures with enormous risks undertaken by financial services conglomerates; and,

WHEREAS, Congresswoman Marcy Kaptur has introduced H.R. 129, known as *The Return to Prudent Banking Act of 2013*, to reinstate the provisions of *The Glass-Steagall Act*; and,

WHEREAS, H.R. 1489, the identical bill in the 112th Congress, gained 84 bipartisan co-sponsors; and,

WHEREAS, it is vital that the United States Senate introduce the same bill into the Senate;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARMA, STATE OF OHIO:

Section 1. That this Council hereby supports H.R. 129, known as *The Return to Prudent Banking Act of 2013*, pending before the 113th Congress, to reinstate the restrictions of *The Federal Banking Act of 1933*, commonly referred to as *The Glass-Steagall Act*, which prohibited commercial banks and bank holding companies from investing in stocks, underwriting securities, or investing in or acting as guarantors in derivative transactions, in order to prevent American taxpayers from again being called upon to fund hundreds of billions of dollars to bail out financial institutes.

Section 2. That the Clerk of Council is hereby directed to forward a true and accurate copy of this Resolution to Congresswoman March Kaptur, Congressman Jim Renacci and all other Ohio delegates, and Senators Sherrod Brown and Rob Portman.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 4. That this Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare of the City of Parma, and for the further reason that this measure is necessary in order to demonstrate the support of this bill, and this Resolution shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to Council and approval of the Mayor, otherwise from and after the earliest period allowed by law.

PASSED: _____
PRESIDENT OF COUNCIL

ATTEST: _____ APPROVED: _____
CLERK OF COUNCIL

FILED WITH
THE MAYOR: _____
MAYOR, CITY OF PARMA, OHIO