

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 448

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158 Introduction and first reading
Referred to State Government Finance and Policy and Elections

OFFICIAL STATUS

1.1 A resolution

1.2 urging Congress and the President of the United States to adopt an "American Recovery"

1.3 program.

1.4 WHEREAS, an impending financial crisis, typified by the improprieties committed by Wells

1.5 Fargo, Deutsche Bank, JPMorgan Chase, Morgan Stanley, and other "too big to fail" banks is an

1.6 economic concern; these banks still hold a \$250 trillion derivatives bubble, and the 2008 derivatives

1.7 meltdown set off that financial collapse; and

1.8 WHEREAS, a collapse of our industry and infrastructure underlies these financial crises;

1.9 U.S. GDP is growing at an anemic 1-2 percent per year for the past eight years, and productivity

1.10 has been increasing at an equally bad 0.5 percent per year, leading to cutbacks of productive jobs

1.11 around the nation and over 7,000 workers that have lost their jobs in the Iron Range in Minnesota,

1.12 in one example; and

1.13 WHEREAS, a durable recovery will require adoption of national credit banking policies as

1.14 was done by Alexander Hamilton, John Quincy Adams, Abraham Lincoln, and Franklin Roosevelt;

1.15 this program of federal credit to industry, states, and cities built the industry and agriculture of our

1.16 nation; credit can be made available for the creation of productive jobs in infrastructure,

1.17 manufacturing, and high technology projects, thus creating mass employment for our unemployed

1.18 and underemployed workforce, especially young people; NOW, THEREFORE,

1.19 BE IT RESOLVED by the Legislature of the State of Minnesota that it urges the Congress

1.20 of the United States to immediately adopt this "American Recovery" program:

1.21 1. Restore the provisions of the Glass-Steagall Act, and pass HR 381 in the U.S. House of

1.22 Representatives and S1709 in the U.S. Senate, which aim to immediately restore the separation of

1.23 investment and commercial banking; Glass-Steagall was law for 66 years and prevented banking

1.24 crises like the one experienced in 2008. Four Minnesota Congresspeople are cosponsoring HR 381

1.25 in the U.S. House. Glass-Steagall was adopted on the platforms of both political parties in 2016.

2.1 2. Return to a national banking and a federal credit system, modeled on the principles of
2.2 Alexander Hamilton's First Bank of the United States and John Quincy Adams' Second Bank of
2.3 the United States, which built all the infrastructure of the nation for the first 40 years; it was
2.4 reinstituted as Abraham Lincoln's National Banking-Greenback policy, that built everything from
2.5 railroads to steel mills; the same credit policy was utilized in Franklin Roosevelt's Reconstruction
2.6 Finance Corporation (RFC), which financed the gigantic New Deal infrastructure program; the
2.7 Works Progress Administration, which in Minneapolis alone built 313,000 feet of sewers,
2.8 reconditioned 113 public schools, and paved 60 miles of roads; the Commodity Credit Corporation,
2.9 created by the RFC, loaned millions of dollars to Minnesota farmers to save their operations during
2.10 the Depression. A new national bank, capitalized at \$1-2 trillion of not taxpayer money, must be
2.11 immediately created to fund the new infrastructure programs.

2.12 3. Use the federal credit system to build a modern network of high-speed rail, power generating
2.13 systems, and water projects, such as those urgently needed in the Southwest and cities like Flint,
2.14 Michigan. Minnesota can be a national hub for high-speed rail, both passenger and freight, and this
2.15 can spark a real revival in the state's steel and iron ore industries. We can also create a multistate
2.16 flood control program for the states bordering the Mississippi River, modeled on the Tennessee
2.17 Valley Authority, to end the chronic flooding in the region.

2.18 4. Launch a program to rebuild our space program to put a permanent manned colony on the
2.19 Moon, explore the solar system, and inspire future generations; and a program to develop nuclear
2.20 fusion. The University of Minnesota School of Physics and Astronomy has been heavily involved
2.21 in these projects already.

2.22 BE IT FURTHER RESOLVED that the Secretary of State of the State of Minnesota is directed
2.23 to prepare copies of this memorial and transmit them to Minnesota's Senators and Representatives
2.24 in Congress and the President of the United States.