

State of South Dakota

EIGHTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2009

930Q0746

HOUSE CONCURRENT RESOLUTION NO. 1009

Introduced by: Representatives Lange, Feickert, Schrempp, Thompson, and Vanderlinde and
Senator Kloucek

1 A CONCURRENT RESOLUTION, Endorsing the federal Homeowners and Bank Protection
2 Act.

3 WHEREAS, the failure of the leadership of the United States Congress to pass the
4 Homeowner and Bank Protection Act of 2007 (HBPA) proposed by Lyndon LaRouche in his
5 July 25, 2007, webcast, has transformed a dire situation from one that could have remained
6 manageable through the autumn of 2007, into a breakdown crisis of not only the U.S. economy,
7 but of the world economy; and

8 WHEREAS, the Congressional leadership instead chose a course of insulting treatment of
9 state and local legislative and associated bodies within the states, who clamored for the
10 Congress to enact the HBPA, as shown in the HBPA's passage by five state legislatures, and
11 more than 150 city councils across the United States, in addition to hundreds of endorsements
12 by trade union and other constituency leaders individually; and

13 WHEREAS, the repeated attempts approved by Congress to bail out financial institutions
14 with cumulative trillions of taxpayers' and Federal Reserve money, have utterly failed; and

15 WHEREAS, forcing the leadership of the U.S. Congress into more responsible behavior on



1 the HBPA now is perhaps the only chance to begin to move things in a direction which could
2 lead to saving the United States of America itself from the deepest physical depression in its
3 history:

4 NOW, THEREFORE, BE IT RESOLVED, by the House of Representatives of the Eighty-
5 fourth Legislature of the State of South Dakota, the Senate concurring therein, that the South
6 Dakota Legislature endorses and urges the passage of the federal Homeowners and Bank
7 Protection Act of 2007, as initiated by economist Lyndon H. LaRouche, Jr. This Act includes
8 the following provisions:

- 9 (1) Congress must establish a federal agency to place federal and state chartered banks
10 under protection, freezing all existing home mortgages for a period of months or
11 years necessary to adjust the values to fair prices, and restructure existing mortgages
12 at appropriate interest rates. This action would also write off all of the speculative
13 debt obligations of mortgage-backed securities, derivatives, and other forms of Ponzi
14 schemes that have plunged the banking system into bankruptcy;
- 15 (2) During the transitional period, all foreclosures shall be frozen, allowing American
16 families to retain their homes. Monthly payments, the equivalent of rental payments,
17 shall be made to designated banks, which can use the funds as collateral for normal
18 banking practices, thus recapitalizing the banking systems. These affordable monthly
19 payments will be factored into new mortgages, reflecting the deflating of the housing
20 bubble and the establishment of appropriate property valuations, and reduced fixed
21 mortgage interest rates. This shakeout will take several years to achieve. In the
22 interim period no homeowner would be evicted from his or her property, and the
23 federal and state chartered banks would be protected, so they can resume their
24 traditional functions, serving local communities, and facilitating credit for investment

1 in productive industries, agriculture, infrastructure, and other economic activity;
2 (3) State governors would assume the administrative responsibilities for implementing
3 the program, including the rental assessments to designated banks, with the federal
4 government providing the necessary credits and guarantees to ensure the successful
5 transition.