

Hawley Introduces Bill Banning Insider Trading in Congress

Thursday, January 13, 2022

U.S. Senator Josh Hawley (R.Mo) announced he will introduce the *Banning Insider Trading in Congress Act*, which would prohibit Members of Congress and their spouses from holding or trading individual stocks. The bill will require Members found in violation to return their profits to the American people.

Senator Hawley said, “Year after year, politicians somehow manage to outperform the market, buying and selling millions in stocks of companies they’re supposed to be regulating. Wall Street and Big Tech work hand-in-hand with elected officials to enrich each other at the expense of the country. Here’s something we can do: ban all members of Congress from trading stocks and force those who do to pay their proceeds back to the American people. It’s time to stop turning a blind eye to Washington profiteering.”

Background

The *Banning Insider Trading in Congress Act* will:

- Prohibit Members of Congress and their spouses from holding, acquiring, or selling stocks or equivalent economic interests during their tenure in elected office. Any holdings in diversified mutual funds, exchange-traded funds, or U.S. Treasury bonds are exempt from the prohibition.
- Give Members of Congress and their spouses six months, upon assuming office, to divest any prohibited holdings or place those holdings in a blind trust for the remainder of their tenure in office.
- Ensure Members or their spouses forfeit any investment profits to the American people via the U.S. Treasury if they are found to be in violation if the Act. Members who violate the requirements will also lose the ability to deduct the losses of those investments on their

income taxes. The ethics committees of Congress may levy additional fines and will publicize violations.

- Require that after two years of the Act's implementation, the Government Accountability Office (GAO) will conduct an audit of Members' compliance with the Act.