

The Walz legislation banning insider trading on Capitol Hill becomes law April 4

Mankato, MN—Congressman Tim Walz will attend the White House ceremony Wednesday, April 4 when President Obama signs his Stop Trading on Congressional Knowledge (STOCK) Act into law. The Walz bill, which passed the House and Senate with overwhelming bipartisan majorities, bans insider trading on Capitol Hill.

“After years of fighting for this commonsense and important reform, I am honored and humbled to be present when the President signs it into law,” said Walz. “It’s my sincere hope that this moment of bipartisan cooperation will begin to restore the American people’s faith in the work of democracy. Moving forward, Congress should renew this bipartisan spirit and reach across the aisle and work together to solve the most pressing problems facing our country.”

President Obama, who called for the passage of Walz’s STOCK Act in his State of the Union Address, released a statement after news broke that the bill was headed to his desk, saying in part:

“Today, I’m pleased Congress took bipartisan action to pass the STOCK Act. After I sign this bill into law, Members of Congress will not be able to trade stocks based on nonpublic information they gleaned on Capitol Hill.”

The original legislation was introduced in 2006 by former Rep. Brian Baird of Washington and Rep. Louise Slaughter of New York.

Walz became the bill’s lead author following Mr. Baird’s retirement and re-introduced the STOCK Act on March 17, 2011.

Walz has been praised by Members on both sides of the aisle for his leadership ushering the STOCK Act through Congress, including Republican Majority Leader Eric Cantor who said,

“Congressman Walz has been a leader on the STOCK Act... and I particularly want to recognize his willingness to reach across the aisle and keep the lines of communications open as we work to make clear that elected officials abide by the same rules as the American people.”

What the STOCK Act Does

- Explicitly bans Members of Congress, their staff, executive branch and other federal employees from using information obtained through their jobs to profit on the stock market.

- Requires Members of Congress, the president and vice president, and senior congressional and executive branch employees to report the purchase, sale or exchange of any stock, bond, or commodity future transaction in excess of \$1,000 within 30-45 days.

- Requires, for the first time ever in the Senate, the establishment of an online, searchable database that will house all financial disclosure reports for Members of Congress, senior congressional staff, and congressional candidates (the House of Representatives already has online reporting, the Senate does not).

- Prohibits bonuses for executives at Fannie Mae and Freddie Mac.

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