

NEW HAMPSHIRE UNION LEADER

- By Justin Papp CQ-Roll Call (TNS)
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Mike Johnson had hardly settled into his new office after winning the speaker's gavel last October when Abigail Spanberger came knocking on stocks.

"I implore you to bring bipartisan legislation" to the floor that would ban members of Congress from trading individual stocks, the Virginia Democrat wrote in an Oct. 27 letter.

She never got a response from Johnson, which wasn't a surprise. The Louisiana Republican has yet to take a position on the issue, making him something of an enigma to those who want to ban congressional trading.

Unlike his recent wealthy predecessors, Johnson reported no financial assets in 2022. He did not own or trade any stocks, according to mandatory disclosure forms. And between overdue appropriations bills and discontent on his right flank, he now has other things on his mind.

Asked this week about his thoughts on a stock ban, his spokesperson declined to comment.

But even as frustration mounts over something they say should be a no-brainer, given its broad support among voters, Spanberger and others vowed to keep the effort alive in the remainder of the 118th Congress.

"Momentum hasn't cooled" entirely, insisted Spanberger, pointing to the unlikely coalition of lawmakers from across the political spectrum who have offered similar proposals.

Scrutiny of members' trading has been building since the pandemic, when some lawmakers raised eyebrows by selling stocks soon before the market crashed. That prompted investigations from the Department of Justice, though no charges were filed. Reports from the media followed, highlighting a litany of questionable deals coming from the Capitol.

Advocates say a ban on individual trades would curb worries about conflicts of interest and insider trading in Congress. But lack of buy-in from leadership has been a sticking point. Former Speaker Nancy Pelosi — whose venture capitalist husband has made big moves on the stock market while his wife has been in office — softened her position on the issue but ultimately reneged on a promise to bring legislation to the floor. Kevin McCarthy called for stock-ban legislation while Pelosi was in power, and then declined to act on it once he became speaker.



Rep. Abigail Spanberger (D-VA) on Capitol Hill on Jan. 31, 2023, in Washington, D.C. She is among the lawmakers calling for a ban on congressional stock trading. (Drew Angerer/Getty Images/TNS)

Senate Majority Leader Charles E. Schumer expressed support in 2022, but has been mostly mum since.

Spanberger and others in the anti-trading camp introduced a flurry of bills in the 118th Congress, to no avail so far.

“I think that we’ve got some other things that have just taken priority here,” said Rep. Matt Rosendale, a Montana Republican among those leading the push in the House. “But as soon as these things can get resolved, I believe that it becomes a very big issue again as we start focusing on the election. When you start focusing on electing people, you want to make sure they’re public servants instead of profiteers.”

Unlikely allies

Officially, members aren’t allowed to buy or sell stock based on knowledge gleaned from their jobs. The Stop Trading on Congressional Knowledge (STOCK) Act of 2012 made that clear, but violations are difficult to prove. It also beefed up reporting requirements for stock trades, but the penalty for failing to report begins at just \$200.

Proposals in the 118th Congress seek to strengthen the law, though they vary slightly. Spanberger’s, which she first introduced in 2020 with Texas Republican Rep. Chip Roy and reupped again last year, would require members to put their assets in qualified blind trusts for the duration of their term and a period after.

Others go further. A proposal from Missouri Republican Sen. Josh Hawley and New York Democratic Sen. Kirsten Gillibrand would ban stock trading, ownership and blind trusts for both legislative and senior executive branch officials. And Gillibrand introduced a bicameral bill she dubbed the “STOCK Act 2.0,” joined by Democratic Rep. Katie Porter of California, who is vying for the Senate seat left open after the death of Dianne Feinstein.

Many of the bills introduced feature odd partnerships, with progressive Democrats like Pramila Jayapal teaming up with staunch conservatives like Rosendale and Ken Buck.

“Anytime that you see Jayapal ... standing there on a piece of legislation with me and Ken Buck, that tells you what kind of cross-party support there is,” Rosendale said.

That support extends into the electorate. A survey from the University of Maryland’s Program for Public Consultation found last year that 86 percent of voters, including 88 percent of Democrats and 87 percent of Republicans, favored proposals preventing members of Congress from trading stock in individual companies.

Some of the loudest voices in Congress are seeking higher office. Spanberger is running for governor of Virginia. And Porter has repeatedly cited the issue on the campaign trail.

But complications persist in an election year, especially with legislative attention devoted to other issues.

“Normally by this time government funding bills would be finished. But those aren’t done yet and I don’t know how long they will take. And we still have a supplemental aid package,” Jayapal said. “So I think there’s still a lot of energy but it feels difficult to move, even though we’ve got so much bipartisan support.”

Picking and choosing

The various proposals will also require parsing. So far the committees of jurisdiction — including Senate Homeland Security and Governmental Affairs and House Administration — have not taken up the issue, though that could change.

A Senate aide said Homeland Security Chairman Gary Peters, a Michigan Democrat, expects the committee to consider the issue this year and “is having productive conversations with his colleagues.”

And House Administration Committee Chairman Bryan Steil, a Wisconsin Republican, similarly referred to an “ongoing dialogue.” Steil did not respond when asked if there might be a markup on the various proposals in the coming year, or when asked if he believed members should be allowed to buy or trade stocks.

“I think there are definitely ways that we can improve the STOCK Act. But as we’ve seen here, it’s pretty difficult to get anything done,” Steil said.

Some, like Illinois Democratic Rep. Raja Krishnamoorthi, have tried to streamline the process. He and several of his Democratic colleagues — including Spanberger and Porter — sent a letter last year to McCarthy outlining seven key provisions they would want to see in any legislation that’s ultimately considered.

Any measure must apply to all members, spouses and dependents under 18, they said. It must prohibit the trading or owning of individual stocks and require either the divestment of assets, or the placement in blind trusts or mutual or exchange-traded funds, among other priorities listed in the letter.

“We kind of came together and said, ‘you don’t have to pick and choose exactly which one.’ As long as he has these elements, we can all come together on this,” said Krishnamoorthi, who in April introduced [legislation](#) in the House aimed at addressing the problem alongside Texas Republican Rep. Michael Cloud. Sen. Jeff Merkley, D-Ore., [led](#) the Senate version of the same bill.

Buck and Rosendale said they’re exploring the possibility of tacking a stock-ban proposal onto some larger piece of legislation. And Buck suggested he’d be open to changing the controversial motion to vacate threshold that led to McCarthy’s ouster in exchange for support for stock ban legislation.

“When Matt Rosendale and some other House Freedom Caucus members, like myself, are pushing for something, it’s always an opportunity to sort of horse trade a little bit,” Buck said.

For her part, Spanberger said she’s engaged in conversations about raising member pay — which has been stagnant since 2009 — to incentivize lawmakers who stand to lose out financially from a stricter STOCK Act.

In the Senate, meanwhile, Hawley is determined to force the issue, even with little support from Republicans in the chamber. He said some of his GOP colleagues have expressed interest in his proposal, though none officially signed on.

Hawley characterized Schumer and Minority Leader Mitch McConnell as “very unhelpful” on the issue. Neither Schumer nor McConnell responded to a request for comment.

If Schumer is unwilling to call a vote, Hawley said he'll either ask for unanimous consent on the floor or try to add it to another bill and force an amendment vote.

"There's just no reason why members of Congress should be sitting up here day trading, trying to make a quick buck rather than solving problems for the people who send them here," Hawley said.

"Members fear this ... They don't want to vote in committee, they don't want to vote on the floor. My view is that's the only way to get this done," he continued. "Because I've seen this movie now for several years and it's always people saying, 'Oh yeah, I'm very open to this.' And then they kill it behind the scenes."