

U.S. House of Representatives
Washington, D.C. 20515

November 18, 2011

**RE: Support the “Stop Trading on Congressional Knowledge Act”
(H.R. 1148)**

Dear Representative:

Our organizations – Campaign Legal Center, Citizens for Responsibility and Ethics in Washington, Common Cause, Democracy 21, Public Citizen, Sunlight Foundation and US PIRG – strongly support passage of the “Stop Trading on Congressional Knowledge Act” (STOCK Act) designed to prevent congressional insider trading, and encourage you to join as a co-sponsor and help achieve its passage through Congress. H.R. 1148 is principally sponsored by Reps. Timothy Walz (D-Minn.) and Louise Slaughter (D-N.Y.).

The legislation is gaining a great deal of momentum in just the last few days, following a “60 Minutes” program on the issue and a release of a new book by Peter Schweizer that documents congressional insider trading in detail. The number of co-sponsors on the House bill has increased more than five-fold this week, and a hearing has already been scheduled on the bill before the House Financial Services Committee. For the first time, companion bills are being introduced in the Senate by Sens. Scott Brown (R-Mass.), Kristen Gillibrand (D-NY) and others.

Under current law, “insider trading” is defined as the buying or selling of securities or commodities based on non-public information in violation of confidentiality – either to the issuing company or the source of information. Congressional officials and employees in the course of official business, it is often believed, do not owe a duty of confidentiality to these companies and thus are not liable for insider trading.

H.R. 1148 provides a clear and balanced application of the laws against insider trading to both the private and public sectors and offers the important tool of disclosure for ensuring compliance with the law.

We encourage all members of the House to join in this bipartisan effort to apply the insider trading laws uniformly across Congress before any new scandals may arise. We urge you to join as co-sponsors.

Sincerely,

Campaign Legal Center
Citizens for Responsibility and Ethics in Washington
Common Cause
Democracy 21
Public Citizen
Sunlight Foundation
US PIRG

