

To the office of U.S. Representative Bryan Steil

Re: HR 7008 (119th Congress), Stop Insider Trading Act • Latest action (2026-09-30): Cloture on the motion to proceed to the measure not invoked in Senate by Yea-Nay Vote. 53 - 47. Record Vote Number: 253.

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Office of record (Congress.gov): 1526 Longworth House Office Building, Washington, DC • (202) 225-3031

Congressional Stock Trading Transparency and Accountability Act of 2025

The measure, as described from the official record: To prohibit Members of Congress and their staff from trading securities based on non-public information obtained through their official duties, and to require public disclosure of such trades within a short timeframe.

THE PROPOSAL

Section 1. Short Title. This Act may be cited as the 'Congressional Stock Trading Transparency and Accountability Act of 2025'.

Section 2. Definitions. (a) 'Covered person' means a Member of Congress, a candidate for Congress, an officer or employee of the House or Senate, and any spouse or dependent child of such individual. (b) 'Non-public information' means material information that has not been disseminated to the general public and that a covered person knows or has reason to know was obtained through their official position.

Section 3. Prohibition on Insider Trading. No covered person shall purchase, sell, or exchange any security while in possession of non-public information obtained through their official duties. This prohibition applies to transactions made directly or through a broker, trust, or other intermediary.

Section 4. Mandatory Disclosure. Each covered person shall file a report with the Office of Congressional Ethics (OCE) within 30 days of any securities transaction exceeding \$1,000 in value. The report shall include the date, amount, and type of security. OCE shall make these reports publicly available on a searchable website within 7 days of receipt.

Section 5. Enforcement. (a) The OCE shall investigate any alleged violation and may refer cases to the Department of Justice for criminal prosecution under existing insider trading laws (15 U.S.C. § 78j(b) and SEC Rule 10b-5). (b) Civil penalties: A covered person who knowingly violates Section 3 shall forfeit any profits gained or losses avoided, and pay a civil fine of up to \$50,000 per violation. (c) Criminal penalties: Willful violations may result in fines up to \$500,000 and imprisonment up to 10 years, as provided in 18 U.S.C. § 1348.

Section 6. Funding. The Office of Congressional Ethics shall receive an additional \$5 million per year from the general fund of the Treasury to carry out this Act. This amount shall be adjusted for inflation every two years.

Section 7. Sunset. This Act shall expire 10 years after its effective date, unless reauthorized by Congress.

Section 8. Effective Date. This Act shall take effect 90 days after enactment.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Funding Source	General fund of the Treasury, appropriated to the Office of Congressional Ethics
Funding Amount	\$5 million per year, adjusted for inflation every two years
Sunset Years	10 years
Oversight Body	Office of Congressional Ethics (OCE) with referral to Department of Justice for criminal cases
Enforcement Mechanism	Civil forfeiture of profits, civil fines up to \$50,000 per violation, criminal fines up to \$500,000 and imprisonment up to 10 years for willful violations
Effective Date	90 days after enactment

CONSTITUTIONAL BASIS

- Article I, Section 5, Clause 2 (Each House may determine the rules of its proceedings)
- Article I, Section 8, Clause 18 (Necessary and Proper Clause to enforce ethics rules)
- Fifth Amendment Due Process Clause (procedural safeguards in enforcement)

Concerns with the measure as written:

- Potential First Amendment concerns if the bill restricts political speech or association related to investment decisions, but narrowly tailored prohibitions on insider trading are generally upheld.
 - Fifth Amendment due process concerns if penalties are imposed without clear notice or fair hearing, but the bill likely provides adequate procedural safeguards.
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WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

Democratic priorities: Strong transparency and enforcement to prevent corruption, public disclosure of trades, and independent oversight by OCE. Republican priorities: Limited federal intrusion (only covers Congress, not private sector), clear definitions to avoid overreach, sunset provision to ensure review, and reliance on existing criminal statutes rather than creating new federal crimes.

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