

Slaughter Vows To Fight to Make STOCK Act Even Stronger

WASHINGTON – Congresswoman Louise Slaughter (NY-28), Ranking Member of the House Rules Committee, today scored a major victory having language she first authored that would end insider trading in Congress pass by a vote of 417 to 2. While elements of her original bill the Stop Trading on Congressional Knowledge (STOCK) Act, were not included in the legislation passed today by the House, today's vote is a testament to Slaughter's tenacity on an issue that received little attention until three months ago.

Today Slaughter spoke on the House floor saying, "At its heart, the STOCK Act is a statement of how we in Congress view ourselves, and our relationship to those we serve. No matter how powerful our position, nor how hallowed the halls we walk, no one should be above the law. With the passage of the STOCK Act, we can move one step closer to living up to the faith and trust bestowed upon us by the American people- the citizens for whom we serve."

[Video of Slaughter's floor statement is included here.](#)

The journey to today's passage has been a long one and Slaughter made clear today it is not yet complete.

Slaughter has been pushing Majority Leader Eric Cantor for months to bring the STOCK Act to the floor and the version he brought forth has raised eyebrows from Slaughter and other good government stalwarts when it removed a provision that would bring the shadowy political intelligence industry under the same regulations as the lobbyists they work beside.

Political intelligence is the latest effort by Wall Street and K Street to gain market moving information from Members of Congress and their staffs for the sake of selling it to hedge funds and other financial clients. Because political intelligence operatives don't currently have to register the way lobbyists do, staffers and Members of Congress often don't know that information they share is being passed along to the highest bidder. The political intelligence industry has become a \$402 million a year endeavor lurking in the shadows of Congress.

Slaughter is now pushing strongly for a conference committee made up of members of the House and Senate to work together rectifying the differences between the Senate and House-passed bills. During the conference committee process, she will fight hard to retain her political intelligence provision which is a part of the bipartisan Senate-passed bill. Slaughter's house bill that included the provision included the support of 99 Republicans.

Today on the House floor, Slaughter said, "When it comes to K Street, it appears that Republican Leadership couldn't stomach the pressure from the political intelligence community. After working behind closed doors, the Majority removed a major provision that would have held political intelligence operatives to the same standards as lobbyists who come before this Congress. Fortunately, Democrats and Republicans alike are fighting to keep political intelligence as part of the final bill."

Earlier this week, Majority Leader Eric Cantor released a statement praising Slaughter's years of work to end insider trading in Congress saying, "Members from both sides of the aisle have worked hard on this issue, specifically Representatives Tim Walz and Louise Slaughter, and they deserve credit for their efforts to increase transparency and accountability as we take a step to restore the public's trust in the federal government. After years of work, it's about time their efforts resulted in a law."

A timeline of Slaughter's years of work leading to today's vote is included below.

Timeline

March 28, 2006 – Slaughter along with Rep. Brian Baird (WA-3) first introduced the STOCK Act. In that 109th Congress, the bill received 13 co-sponsors. Earlier, the [Wall Street Journal](#) [reported](#) that Tony Rudy, Chief of Staff to then House Majority Leader Tom DeLay, "bought and sold hundreds of stocks from his computer in the U.S. Capitol in 1999 and 2000, according to financial-disclosure forms and other DeLay aides." The STOCK Act was reintroduced by Baird and Slaughter again in 2007 and 2009 never gaining more than 9 co-sponsors.

March 17, 2011 – Slaughter reintroduces the STOCK Act into the 112th Congress with Rep. Tim Walz (MN-01). It is supported by good government groups Common Cause, CREW, Democracy 21, Public Citizen and US PIRG.

November 13, 2011 - [60 Minutes ran a story](#) pointing out the problem of insider trading in Congress. Prior to the piece, the bill had 9 co-sponsors. The next day, the STOCK Act began an explosion of support. Slaughter said recently, "In my 20 years here, I've never seen anything like it."

November 15, 2011 – a Senate counterpart to the STOCK Act is introduced for the first time by Senator Scott Brown (R-MA). Two days later, Senator Gillibrand (D-NY) introduced a second version of the STOCK Act in the Senate. The bills are later combined.

December 1, 2011 - The Senate Homeland Security and Governmental Affairs Committee holds a hearing on the STOCK Act

December 6, 2011 – The House Financial Services Committee holds a hearing on the STOCK Act where Slaughter and Walz testify. Chairman Bachus schedules a markup of the bill for December 14.

December 7, 2011 – [Politico reports](#) that the markup scheduled in the Financial Services Committee is postponed under pressure from House Majority Leader Eric Cantor.

December 8, 2011 – Slaughter and Walz's STOCK Act receives the overwhelming support of a majority of the House of Representatives. More than 218 members (the number needed to pass the bill under regular order), co-sponsor the bill.

December 17, 2011 – With pressure mounting, Majority Leader Cantor tells CBS he will take up the STOCK Act.

December 20, 2011 – The [Wall Street Journal reported on dozens of meetings](#) set up by political intelligence firms with their clients and lawmakers, giving hedge funds and other financial institutions access to privileged information that made them untold sums of money. Slaughter and Walz say this is further evidence that transparency is needed in the political intelligence industry.

January 24, 2011 – President Obama says in his State of the Union, "Send me a bill that bans insider trading by Members of Congress, and I will sign it tomorrow."

February 1, 2011 – Slaughter and Walz introduce a discharge petition that would bring their STOCK Act up for a vote on the House floor. In the first day it is signed by 115 Members of Congress. In total 171 Members signed the discharge petition.

February 2, 2011 – The Senate passes their version of the STOCK Act by a vote of 96-3. It includes an amendment by Sen. Chuck Grassley (R-IA) that includes language from Slaughter's bill regulating the political intelligence industry.

February, 6, 2011 – As Slaughter and Walz continue to pressure Cantor for a vote on the STOCK Act, it was clear that he would introduce his own version of the bill. He never consults the bill's original authors. Meanwhile Slaughter's bill gains the support of 286 co-sponsors including 99 Republicans.

February 7, 2011 - At 10:30 pm, Cantor's office finally releases text of his changes to be voted on by the House and makes clear that he will bring it a vote using a procedure that does not allow for amendments or changes. Slaughter says repeatedly that this version of the bill is weakened. It does not include her provision to regulate the \$402 million a year political intelligence industry.

February 8, 2011 – Slaughter and Walz react to the weakened version of the House bill. Slaughter tells reporters in the Capitol, "Our job here is never done. That's the beauty of a legislature, you're never truly defeated until you stop trying and I don't give up so easily." Meanwhile [Cantor releases a statement praising Slaughter's years of work](#) on this issue.

February 9, 2011 – The STOCK Act passes the House by an overwhelming vote of 417-2. Slaughter vows to fight for a conference committee to make the bill that will be sent to President Obama even stronger.