

May 24, 2022

The Hon. Joseph R. Biden, Jr  
President of the United States  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear President Biden:

We, the undersigned organizations, write to ask you to help advance critical ethics reform and fulfill your campaign promise to work with Congress to enact legislation that prevents members of Congress “from being influenced by personal financial holdings.”<sup>1</sup> Specifically, we ask you to publicly and actively support legislation that prohibits members of Congress from trading individual stock while in office.

The last two years have exposed the shortcomings of the Stop Trading on Congressional Knowledge (STOCK) Act, which was enacted in 2012 to combat congressional insider trading.<sup>2</sup> Allegations of insider trading have increased, especially when members of Congress from both sides of the aisle made stock transactions totaling over \$150 million during the onset of the pandemic in 2020. During the same two-year period, 60 members of Congress have violated the reporting requirements of the STOCK Act.<sup>3</sup> As a result, two polls in 2021 found that most Americans of all parties support banning lawmakers from trading individual stocks altogether.<sup>4</sup>

In response to this widespread public concern with lawmakers trading stock, numerous proposals were introduced in the House and Senate to address congressional stock trading. After months of promising bipartisan negotiations and hearings on the issue, Congress is close to moving forward with reform. Your support would help build momentum, and we urge you to ensure reforms pass in the current Congress by upholding your campaign promise.

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<sup>1</sup> BIDEN HARRIS, <https://joebiden.com/governmentreform/> (last visited May 16, 2022).

<sup>2</sup> Kimberly Leonard, *State of the Union: Joe Biden ignores Congress’ push to ban lawmakers from trading stocks*, INSIDER (Mar. 1, 2022) <https://www.businessinsider.com/state-of-the-union-biden-congress-stock-trading-ban-2022-3>.

<sup>3</sup> Dave Levinthal, *60 members of Congress have violated a law designed to stop insider trading and prevent conflicts-of-interest*, INSIDER (May 6, 2022) <https://www.businessinsider.com/congress-stock-act-violations-senate-house-trading-2021-9>.

<sup>4</sup> Claire Williams, *Most Voters of All Parties Support Congressional Stock Trading Restrictions*, MORNING CONSULT (Jan. 19, 2022) <https://morningconsult.com/2022/01/19/ban-stock-trading-congress-poll/>; *Summary of Poll Findings on Ethics Reform*, CAMPAIGN LEGAL CENTER (Nov. 2, 2021) <https://campaignlegal.org/document/summary-poll-findings-ethics-reform>.

As a presidential candidate, you created a plan of 25 commitments to “guarantee government works for the people,” which included a pledge to prevent members of Congress from being influenced by their personal financial holdings.<sup>5</sup> Indeed, as a senator who did not trade stocks, you served as an example of how to avoid undue influence from personal financial holdings.<sup>6</sup> You also promised not to trade stocks as president and prohibited individuals serving on your 2020 presidential campaign from trading stocks.<sup>7</sup> You are uniquely suited to speak on this issue.

In addition, you witnessed firsthand how a president can challenge Congress to do the right thing with reforming stock trading rules. In 2012, the STOCK Act was stalled in Congress, but then-President Obama told Congress “Send me a bill that bans insider trading by members of Congress, and I will sign it tomorrow.”<sup>8</sup> Two days later, the STOCK Act was reintroduced in the Senate, and you stood alongside President Obama when he signed the bill into law a few months later.

President Biden, you promised the American people that you would advocate for them by pushing Congress to free itself from being influenced by their personal financial holdings. Supporting the effort to end the inherent conflict of interest stock trading presents would allow you to fulfill your promise and advance an important bipartisan priority. We encourage you to call for passage of this legislation, and we stand ready to work with your administration to achieve this essential goal.

Sincerely,

Campaign Legal Center  
Center for American Progress  
Citizens for Responsibility and Ethics in Washington  
Indivisible  
MoveOn  
National Taxpayers Union  
Norman J. Ornstein, Ph.D.  
Prof. James A. Thurber

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<sup>5</sup> BIDEN HARRIS, <https://joebiden.com/governmentreform/> (last visited May 16, 2022).

<sup>6</sup> Christina Wilkie, *Biden avoids wading into the congressional stock trading debate*, CNBC (Jan. 18, 2022) <https://www.cnbc.com/2022/01/18/biden-avoids-wading-into-the-congressional-stock-trading-debate.html>.

<sup>7</sup> Tyler Pager, *Biden Campaign Bans Staff From Trading Stocks Without Approval*, BLOOMBERG (July 27, 2020) <https://www.bloomberg.com/news/articles/2020-07-27/biden-campaign-bans-staff-from-trading-stocks-without-approval>.

<sup>8</sup> White House Press Release, *Fact Sheet: The STOCK Act: Bans Members of Congress from Insider Trading* (Apr. 4, 2012) <https://obamawhitehouse.archives.gov/the-press-office/2012/04/04/fact-sheet-stock-act-bans-members-congress-insider-trading>.

Progressive Change Campaign Committee  
Project on Government Oversight  
Public Citizen  
Reform for Illinois  
RepresentUs  
Stand Up America  
Taxpayers Protection Alliance  
Transparency International, U.S.