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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend chapter 131 of title 5, United States Code, to restrict Members of Congress and their spouses and dependents from profiting off prediction markets, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. STEIL introduced the following bill; which was referred to the Committee
on _____

A BILL

To amend chapter 131 of title 5, United States Code, to restrict Members of Congress and their spouses and dependents from profiting off prediction markets, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stop Lawmakers From
5 Predicting Act”.

1 **SEC. 2. RESTRICTIONS ON TRADING ON PREDICTION MAR-**
2 **KETS.**

3 (a) RESTRICTIONS.—Chapter 131 of title 5, United
4 States Code, is amended by adding at the end the fol-
5 lowing new subchapter:

6 “SUBCHAPTER IV—RESTRICTIONS ON TRADING
7 ON PREDICTION MARKETS

8 “§ 13151. Definitions

9 “In this subchapter:

10 “(1) COVERED INDIVIDUAL.—The term ‘cov-
11 ered individual’ means any of the following:

12 “(A) A Member of Congress as defined in
13 section 13101.

14 “(B) A dependent child as defined in such
15 section 13101 or a spouse of a Member of Con-
16 gress.

17 “(2) SUPERVISING ETHICS OFFICE.—The term
18 ‘supervising ethics office’ has the meaning given the
19 term in section 13101.

20 “§ 13152. Trading on prediction markets

21 “(a) CONDUCT DURING FEDERAL SERVICE.—No
22 covered individual may enter into, or offer to enter into
23 an agreement, contract, or transaction that provides for
24 any purchase, sale, payment, or delivery that is dependent
25 on the occurrence, nonoccurrence, or the extent of the oc-
26 currence of—

1 “(1) a specific government policy;

2 “(2) a government action;

3 “(3) a political outcome; or

4 “(4) any other event which has come to the at-
5 tention of a covered individual as a result, directly
6 or indirectly, of the service of a Member of Congress
7 in the United States Congress, regardless of any
8 connection to the congressional duties of such Mem-
9 ber.

10 “(b) INTERPRETATIVE GUIDANCE.—The supervising
11 ethics office shall issue interpretive guidance on any rel-
12 evant term not defined in this subchapter.

13 **“§ 13153. Enforcement**

14 “(a) PENALTIES.—Any covered individual who vio-
15 lates the restrictions in section 13152 shall, at the direc-
16 tion of the supervising ethics office, incur a fee, as cal-
17 culated in subsection (b), to be paid by the Member of
18 Congress who—

19 “(1) caused the violation; or

20 “(2) is the spouse or parent of a covered indi-
21 vidual who caused the violation.

22 “(b) CALCULATION OF FEES.—The fee required
23 under subsection (a) shall be equal to the sum of—

1 “(1) \$2,000 or ten percent of the value of the
2 agreement, contract, or transaction which violates
3 section 13152, whichever is greater; and

4 “(2) the net gain realized, if any, from the
5 agreement, contract, or transaction which violates
6 section 13152 during the period beginning on the
7 most recent date on which the individual became a
8 covered individual and ending on the date of dispo-
9 sition of such agreement, contract, or transaction, as
10 determined by the supervising ethics office.

11 “(c) PAYMENT RESTRICTIONS.—A covered individual
12 may not pay any of the penalties under this section from
13 the following sources:

14 “(1) The Members’ Representational Allowance.

15 “(2) The Senators’ Official Personnel and Of-
16 fice Expense Account.

17 “(3) Any contribution (as defined in section
18 301(8) of the Federal Election Campaign Act of
19 1971 (52 U.S.C. 30101(8))) accepted as a can-
20 didate, and any other donation received as support
21 for activities of the individual as a holder of Federal
22 office.

23 “(d) MISCELLANEOUS RECEIPTS.—Any amounts col-
24 lected in fees authorized by this section shall be deposited
25 in the general fund of the Treasury as miscellaneous re-

1 cepts in accordance with section 3302(b) of title 31,
2 United States Code.

3 “(e) REFERRAL.—The supervising ethics office has
4 the authority to refer a former Member of Congress to
5 the Department of Justice and section 13106 shall be ap-
6 plied in the same manner and to the same extent as a
7 violation under such section if such former Member re-
8 signs or retires before paying the fee under this section.

9 “(f) INTERPRETATIVE GUIDANCE.—Each supervising
10 ethics office may issue interpretative guidance on this sub-
11 chapter and in issuing such guidance may consider miti-
12 gating or aggravating circumstances.”.

13 (b) TABLE OF CONTENTS.—The table of contents for
14 chapter 131 of title 5, United States Code, is amended
15 by adding at the end the following:

“SUBCHAPTER IV—RESTRICTIONS ON TRADING ON PREDICTION MARKETS

“13151. Definitions.

“13152. Trading on prediction markets.

“13153. Enforcement.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this Act shall take effect on the date that is 180 days
18 after the date of the enactment of this Act.