

Senators Kahn, Schuitmaker, Caswell, Marleau, Booher, Anderson, Emmons, Jones, Pappageorge and Colbeck offered the following resolution:

**Senate Resolution No. 102.**

A resolution to memorialize Congress to enact legislation to ensure that members of Congress and their staffs are subject to the same laws and rules prohibiting insider trading that apply to corporate executives and others.

Whereas, Recent reports of financial transactions engaged in by members of Congress have focused public attention to the fact that members of Congress are largely exempt from provisions prohibiting insider trading that apply to corporate executives and others. While some of the transactions that have been the subject of reports may be legal, the American people find it most disturbing and wrong for any elected or appointed official to take advantage--for personal gain--of knowledge not readily available to the public at large; and

Whereas, There have been numerous reports of financial transactions by members of Congress that clearly run counter to the ideal that voters choose officials to represent the country's best interests and not their own. There have been reports of some members involved in high-level meetings at the peak of the financial crisis in 2008 getting out of the stock market or, even worse, buying options to take advantage of the impending stock market crash. Other reports have cited members buying and selling stocks of health industry and insurance, banking, credit card, or defense-related corporations while major legislation was being considered. Access to initial public offerings of stock has also drawn attention; and

Whereas, There are provisions of federal statute and regulation, amplified by considerable case law, that specify what constitutes illegal insider trading. Congress and its staff must not be exempt from these restrictions. In addition, standards of morality, if not specific statutes, are violated any time a legislator engages in the buying and selling of stock or real estate while in a position to influence legislation that could impact markets; and

Whereas, There is legislation pending in Congress that seeks to rein in actions that are either clearly insider trading or that reflect knowledge gained from pending legislation. The Stop Trading on Congressional Knowledge Act would prohibit commodities and securities trading based on nonpublic information available to Congress and would require additional reporting by members and employees of Congress of securities transactions; and

Whereas, Central to our system of self-government is the trust the people have in the institutions and individuals who represent them. Clearly, insider trading activities outlawed for others and the unscrupulous actions of anyone using their elective position and knowledge to personal advantage destroy this trust. This must be rectified; now, therefore, be it

Resolved by the Senate, That we memorialize Congress to enact legislation to ensure that members of Congress and their staffs are subject to the same laws and rules prohibiting insider trading that apply to corporate executives and others; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.