

Amendment #2

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9367
OFFERED BY Mr. Morelle**

Strike all after the enacting clause and insert the following:

1 **SEC. 1. SHORT TITLE.**

2 This Act may be cited as the “Stop Lawmakers From
3 Predicting Act”.

4 **SEC. 2. RESTRICTIONS ON TRADING ON PREDICTION MAR-**
5 **KETS.**

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

9 “SUBCHAPTER IV—RESTRICTIONS ON TRADING
10 ON PREDICTION MARKETS

11 “§ 13151. Definitions

12 “In this subchapter:

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

15 “(A) A Member of Congress as defined in
16 section 13101.

1 **“§ 13153. Enforcement**

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

7 “(1) caused the violation; or

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

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

12 “(1) \$2,000 or ten percent of the value of the
13 agreement, contract, or transaction which violates
14 section 13152, whichever is greater; and

15 “(2) the net gain realized, if any, from the
16 agreement, contract, or transaction which violates
17 section 13152 during the period beginning on the
18 most recent date on which the individual became a
19 covered individual and ending on the date of disposi-
20 tion of such agreement, contract, or transaction, as
21 determined by the supervising ethics office.

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

25 “(1) The Members’ Representational Allowance.

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

“SUBCHAPTER IV—RESTRICTIONS ON TRADING ON PREDICTION MARKETS

“13151. Definitions.

“13152. Trading on prediction markets.

“13153. Enforcement.”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this Act shall take effect on the date of the enactment
6 of this Act.

