AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 9367

OFFERED BY MR. STEIL OF WISCONSIN

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Stop Lawmakers From Predicting Act''.

SEC. 2. RESTRICTIONS ON TRADING ON PREDICTION MARKETS.

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

''SUBCHAPTER IV—RESTRICTIONS ON TRADING ON PREDICTION MARKETS

''§ 13151. Definitions

''In this subchapter:

''(1) COVERED INDIVIDUAL.—The term 'covered individual' means any of the following:

''(A) A Member of Congress as defined in section 13101.

"(B) A dependent child as defined in such section 13101 or a spouse of a Member of Congress.

"(2) SUPERVISING ETHICS OFFICE.—The term 'supervising ethics office' has the meaning given the term in section 13101.

"§ 13152. Trading on prediction markets

"(a) CONDUCT DURING FEDERAL SERVICE.—No covered individual may enter into, or offer to enter into an agreement, contract, or transaction that provides for any purchase, sale, payment, or delivery that is dependent on the occurrence, nonoccurrence, or the extent of the occurrence of—

"(1) a specific government policy;

"(2) a government action;

"(3) a political outcome; or

"(4) any other event which has come to the attention of a covered individual as a result, directly or indirectly, of the service of a Member of Congress in the United States Congress, regardless of any connection to the congressional duties of such Member.

"(b) INTERPRETATIVE GUIDANCE.—The supervising ethics office shall issue interpretive guidance on any relevant term not defined in this subchapter.

"§ 13153. Enforcement

"(a) PENALTIES.—Any covered individual who violates the restrictions in section 13152 shall, at the direction of the supervising ethics office, incur a fee, as calculated in subsection (b), to be paid by the Member of Congress who—

"(1) caused the violation; or

"(2) is the spouse or parent of a covered individual who caused the violation.

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

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

"(2) the net gain realized, if any, from the agreement, contract, or transaction which violates section 13152 during the period beginning on the most recent date on which the individual became a covered individual and ending on the date of disposition of such agreement, contract, or transaction, as determined by the supervising ethics office.

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

"(1) The Members' Representational Allowance.

"(2) The Senators' Official Personnel and Office Expense Account.

"(3) Any contribution (as defined in section 301(8) of the Federal Election Campaign Act of 1971 (52 U.S.C. 30101(8))) accepted as a candidate, and any other donation received as support for activities of the individual as a holder of Federal office.

"(d) MISCELLANEOUS RECEIPTS.—Any amounts collected in fees authorized by this section shall be deposited in the general fund of the Treasury as miscellaneous receipts in accordance with section 3302(b) of title 31, United States Code.

"(e) REFERRAL.—The supervising ethics office has the authority to refer a former Member of Congress to the Department of Justice and section 13106 shall be applied in the same manner and to the same extent as a violation under such section if such former Member resigns or retires before paying the fee under this section.

"(f) INTERPRETATIVE GUIDANCE.—Each supervising ethics office may issue interpretative guidance on this subchapter and in issuing such guidance may consider mitigating or aggravating circumstances.".

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

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