AMENDMENT NO. _______  Calendar No. _______

Purpose: To modify the applicability and rule of construction sections.


S. 1871

Referred to the Committee on _______________ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by ____________

Viz:

1. On page 3, strike lines 6 through 20 and insert the following:

“SEC. 604. APPLICABILITY TO SECURITIES LAWS.

“(a) IN GENERAL.—

“(1) NOT EXEMPT.—Members of Congress and employees of Congress are not exempt from the prohibitions arising under section 10(b) of the Securities Exchange Act of 1934 and Rule 10b–5 thereunder, including the insider trading prohibitions.

“(2) DUTY OF TRUST AND CONFIDENCE.—For the purposes of the insider trading prohibitions arising under section 10(b) of the Securities Exchange Act of 1934 and rule 10b–5 thereunder, the prohibi-
tion set forth in section 602, and any rules or regulations issued under section 603 to carry out the purposes of section 602, affirm a duty of trust and confidence of each Member of Congress and of each employee of Congress to Congress, the United States Government, and the citizens of the United States.

“(b) RULEMAKING AUTHORITY.—The Securities and Exchange Commission may issue such rules or regulations as the Commission determines are necessary or appropriate to implement subsection (a) or to otherwise ensure that Members of Congress and employees of Congress are subject to the insider trading prohibitions that apply generally.”.

On page 4, strike lines 3 through 9 and insert the following:

“SEC. 606. RULE OF CONSTRUCTION.

“Nothing in this title shall be construed to be in derogation of existing obligations, duties and functions of a Member of Congress or an employee of Congress or to limit or otherwise alter the securities laws, the authority of the Securities and Exchange Commission under such laws, or other laws of the United States.”.