

February 7, 2017

The Honorable Mitch McConnell  
Majority Leader  
S-230 U.S. Capitol  
Washington, D.C. 20510

The Honorable Charles Schumer  
Minority Leader  
S-221 U.S. Capitol  
Washington, D.C. 20510

Dear Congressional Leaders:

As organizations advocating for transparency and accountability in government, we write to express our deep concern with the stock market trading activities of Rep. Tom Price (R-Ga.) for possible violations of insider trading and conflicts of interest laws and regulations. We urge you to delay any vote on Mr. Price's nomination for Secretary of the Department of Health and Human Services (HHS) until the Securities and Exchange Commission (SEC) has had the opportunity to investigate this matter fully.

The STOCK Act, which many of our organizations supported passage of, explicitly forbids insider trading by members of Congress and mandates real-time disclosure of stock trading activity by federal lawmakers. Despite prohibitions on buying and selling stock based on non-public information, Mr. Price has purchased privileged, discounted stocks with companies directly impacted by legislation on which he was working.

Last week, reports revealed that Mr. Price sought stock buying opportunities through fellow members of Congress in Innate Immunotherapeutics Ltd. Mr. Price purchased stocks in this company at a heavily discounted rate available to less than 20 investors across the United States, and made an immediate profit in the tens of thousands of dollars following his purchase. As a sitting member of Congress actively working to pass health policy changes, Mr. Price abused the trust of the American public by accepting discounted health stock offers and he may have broken the law.

Mr. Price's stock purchase with Innate Immunotherapeutics Ltd. reflects a long history of inappropriate trading activity in pharmaceutical and healthcare stocks. As Chair of the House Budget Committee and a sitting member of the House Ways and Means Subcommittee on Health, Mr. Price plays a critical role in shaping healthcare legislation which influences the value of companies in the healthcare industry. Since 2012, Mr. Price has bought and sold stocks in about 40 pharmaceutical and healthcare companies, including at least a dozen in the most recent congressional session.

These patterns of extensive trading activity in businesses and industries that Rep. Price oversees in his official capacity, and the beneficial timing of these trades, raise legitimate questions concerning both potential insider trading and conflicts of interest.

Lawmakers and government reform advocates have submitted requests to the SEC for a full investigation of Mr. Price's stock buying activities and potential violations of the law. The ongoing controversies of stock trading activity by Mr. Price warrant closer scrutiny to determine

whether congressional ethics rules and the laws against insider trading and self-dealing were violated. We urge you to delay any vote on Mr. Price's nomination for HHS Secretary until the SEC has had time to act.

Delaying this vote will protect the integrity of the institution to which Mr. Price has been nominated and the sanctity of the law as applied to members of Congress. We stand ready to work with you on this important issue.

Sincerely,

Center for Media and Democracy  
Citizens for Responsibility and Ethics in Washington (CREW)  
Common Cause  
CREDO  
Democracy 21  
Democracy Matters  
End Citizens United  
Every Voice  
Free Speech for People  
Money Out Voters In  
Public Citizen  
Represent.Us  
The Rootstrikers Project at Demand Progress  
U.S. Public Interest Research Group (PIRG)