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118TH CONGRESS
2D SESSION

S. 1171

[Report No. 118–309]

To amend chapter 131 of title 5, United States Code, to prevent Members of Congress and their spouses and dependent children from trading stocks and owning stocks, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 17, 2023

Mr. MERKLEY (for himself, Mr. BROWN, Mrs. GILLIBRAND, Mr. KING, Mr. SANDERS, Ms. STABENOW, Mrs. SHAHEEN, Ms. DUCKWORTH, Mr. CASEY, Mr. WELCH, Mr. LUJÁN, Mr. FETTERMAN, Ms. HIRONO, Ms. CORTEZ MASTO, Ms. BALDWIN, Mr. VAN HOLLEN, Mr. CARDIN, Mr. TESTER, Mr. HEINRICH, Mr. KAINE, Mr. BLUMENTHAL, Mr. SCHATZ, Ms. ROSEN, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

DECEMBER 19 (legislative day, DECEMBER 16), 2024

Reported by Mr. PETERS, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To amend chapter 131 of title 5, United States Code, to prevent Members of Congress and their spouses and dependent children from trading stocks and owning stocks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Ending Trading and
 5 Holdings In Congressional Stocks (ETHICS) Act”.

6 **SEC. 2. PLACEMENT OF CERTAIN ASSETS OF MEMBERS OF**
 7 **CONGRESS AND THEIR SPOUSES AND DE-**
 8 **PENDENT CHILDREN IN QUALIFIED BLIND**
 9 **TRUSTS.**

10 (a) **IN GENERAL.**—Chapter 131 of title 5, United
 11 States Code, is amended by adding at the end the fol-
 12 lowing:

13 **“Subchapter IV—Certain Assets of Members**
 14 **of Congress and Their Spouses and De-**
 15 **pendent Children**

16 **“§ 13161. Definitions**

17 “**In this title:**

18 “(1) **COMMODITY.**—The term ‘commodity’ has
 19 the meaning given the term in section 1a of the
 20 Commodity Exchange Act (7 U.S.C. 1a).
 21 “(2) **COVERED INVESTMENT.**—

22 “(A) **IN GENERAL.**—The term ‘covered in-
 23 vestment’ means—

24 “(i) an investment in—

25 “(I) a security;

1 “(H) a commodity; or

2 “(III) a future;

3 “(ii) any economic interest com-
4 parable to an interest described in clause
5 (i) that is acquired through synthetic
6 means, such as the use of a derivative, in-
7 cluding an option, warrant, or other, simi-
8 lar means; or

9 “(iii) any interest described in clause
10 (i) or (ii) that is held directly, or in which
11 an individual has an indirect, beneficial, or
12 economic interest, through—

13 “(I) an investment fund or hold-
14 ing company;

15 “(H) a trust (other than a quali-
16 fied blind trust);

17 “(III) an employee benefit plan;
18 or

19 “(IV) a deferred compensation
20 plan, including a carried interest or
21 other agreement tied to the perform-
22 ance of an investment, other than a
23 fixed cash payment.

24 “(B) EXCLUSIONS.—The term ‘covered in-
25 vestment’ does not include—

1 “(i) a diversified mutual fund (includ-
2 ing any holdings of such a fund);

3 “(ii) a diversified exchange-traded
4 fund (including any holdings of such a
5 fund);

6 “(iii) a United States Treasury bill,
7 note, or bond;

8 “(iv) compensation from the primary
9 occupation of the spouse of a Member of
10 Congress, or any security that is issued or
11 paid by an operating business that is the
12 primary employer of such a spouse that is
13 issued or paid to such a spouse;

14 “(v) holding and acquiring any secu-
15 rity that is issued or paid as compensation
16 from corporate board service by the spouse
17 of a Member of Congress, including the
18 dividend reinvestment in the same security
19 received from the corporate board service
20 by the spouse of a Member of Congress;

21 “(vi) any covered investment that is
22 traded by the spouse of a Member of Con-
23 gress in the course of performing the pri-
24 mary occupation of such a spouse, pro-

1 vided the investment is not owned by a
2 covered person;

3 ~~“(vii) any investment fund held in a~~
4 Federal, State, or local government em-
5 ployee retirement plan;

6 ~~“(viii) a tax-free State or municipal~~
7 bond;

8 ~~“(ix) an interest in a small business~~
9 concern, if the supervising ethics office de-
10 termines that the small business concern
11 does not present a conflict of interest, and,
12 in the case of an investment in a family
13 farm or ranch that qualifies as an interest
14 in a small business concern, a future or
15 commodity directly related to the farming
16 activities and products of the farm or
17 ranch;

18 ~~“(x) holding investment-grade cor-~~
19 porate bonds, provided that the corporate
20 bonds are held by an individual who is a
21 covered person on the date of enactment of
22 the Ending Trading and Holdings In Con-
23 gressional Stocks (ETHICS) Act;

24 ~~“(xi) any share of Settlement Com-~~
25 mon Stock issued under section 7(g)(1)(A)

1 of the Alaska Native Claims Settlement
2 Act (~~43~~ U.S.C. 1606(g)(1)(A)); or

3 “(xii) any share of Settlement Com-
4 mon Stock, as defined in section 3 of the
5 Alaska Native Claims Settlement Act (~~43~~
6 U.S.C. 1602).

7 “(3) COVERED PERSON.—The term ‘covered
8 person’ means—

9 “(A) a Member of Congress; and

10 “(B) a spouse or dependent child of a
11 Member of Congress.

12 “(4) CUSTODY.—The term ‘custody’ has the
13 meaning given the term in section 275.206(4)–2(d)
14 of title 17, Code of Federal Regulations (as in effect
15 on the date of enactment of the Ending Trading and
16 Holdings In Congressional Stocks (ETHICS) Act or
17 a successor regulation).

18 “(5) DEPENDENT CHILD.—The term ‘depend-
19 ent child’ means, with respect to any Member of
20 Congress any individual who is—

21 “(A) under the age of 19; and

22 “(B) a dependent of the Member of Con-
23 gress within the meaning of section 152 of the
24 Internal Revenue Code of 1986.

1 “(6) DIVERSIFIED.—The term ‘diversified’,
 2 with respect to a fund, trust, or plan, means that
 3 the fund, trust, or plan does not have a stated policy
 4 of concentrating its investments in any industry,
 5 business, or single country other than the United
 6 States.

7 “(7) FUTURE.—The term ‘future’ means—

8 “(A) a security future (as defined in sec-
 9 tion 3(a) of the Securities Exchange Act of
 10 1934 (15 U.S.C. 78c(a))); and

11 “(B) any other contract for the sale of a
 12 commodity for future delivery.

13 “(8) ILLIQUID INVESTMENT.—The term ‘il-
 14 liquid investment’ means an interest in a private
 15 fund, as defined in section 202(a)(29) of the Invest-
 16 ment Advisers Act of 1940 (15 U.S.C. 80b-2).

17 “(9) INITIAL PROPERTY.—The term ‘initial
 18 property’ means an asset or financial interest trans-
 19 ferred to a qualified blind trust by, or on behalf of,
 20 an interested party or a relative of an interested
 21 party, regardless of whether the asset or financial
 22 interest is transferred to the qualified blind trust on
 23 or after the date of establishment of the qualified
 24 blind trust.

1 “(10) INTERESTED PARTY.—The term ‘inter-
 2 ested party’ has the meaning given the term in sec-
 3 tion 13104(f)(3)(E).
 4

5 “(11) MEMBER OF CONGRESS; SUPERVISING
 6 ETHICS OFFICE.—The terms ‘Member of Congress’
 7 and ‘supervising ethics office’ have the meaning
 8 given those terms in section 13101.
 9

10 “(12) QUALIFIED BLIND TRUST.—The term
 11 ‘qualified blind trust’ means a qualified blind trust
 12 (as defined in section 13104(f)(3)) that has been ap-
 13 proved in writing by the applicable supervising ethics
 14 office under section 13104(f)(3)(D).
 15

16 “(13) SECURITY.—The term ‘security’ has the
 17 meaning given the term in section 3(a) of the Secu-
 18 rities Exchange Act of 1934 (15 U.S.C. 78e(a)).
 19

20 “(14) SMALL BUSINESS CONCERN.—The term
 21 ‘small business concern’ has the meaning given the
 22 term under section 3 of the Small Business Act (15
 23 U.S.C. 632).
 24

25 **“§ 13162. Trading covered investments**

26 “(a) BAN ON TRADING.—Except as provided in sub-
 27 sections (b) and (c)—
 28

29 “(1) effective on the date of enactment of the
 30 Ending Trading and Holdings In Congressional

1 Stocks (ETHICS) Act, a Member of Congress shall
 2 not purchase any covered investment;

3 ~~“(2) effective on the date that is 90 days after~~
 4 ~~the date of enactment of the Ending Trading and~~
 5 ~~Holdings In Congressional Stocks (ETHICS) Act, a~~
 6 ~~Member of Congress shall not sell any covered in-~~
 7 ~~vestment, except as provided in section 13163(a)(2);~~
 8 ~~and~~

9 ~~“(3) on and after the effective date described in~~
 10 ~~section 13163(k), a covered person that is a spouse~~
 11 ~~or dependent child of a Member of Congress shall~~
 12 ~~not purchase any covered investment or sell any cov-~~
 13 ~~ered investment, except as provided in section~~
 14 ~~13163(a)(2).~~

15 ~~“(b) OPTIONAL DIVESTMENT WINDOW.—Notwith-~~
 16 ~~standing subsection (a)—~~

17 ~~“(1) a Member of Congress who is sworn as a~~
 18 ~~Member of Congress on or before the date of enact-~~
 19 ~~ment of the Ending Trading and Holdings In Con-~~
 20 ~~gressional Stocks (ETHICS) Act may sell a covered~~
 21 ~~investment within 90 days of the date of enactment~~
 22 ~~of such act, provided that the Member of Congress~~
 23 ~~may not sell any covered investment at any time out-~~
 24 ~~side of that period while the Member of Congress~~
 25 ~~serves the term for which the Member of Congress~~

1 was elected or is reelected or appointed as a Member
 2 of Congress except as provided in section
 3 ~~13163(a)(2)~~; and

4 “~~(2)~~ a Member of Congress who is sworn as a
 5 Member of Congress after the date of enactment of
 6 the Ending Trading and Holdings In Congressional
 7 Stocks (ETHICS) Act may sell a covered investment
 8 within 90 days of commencing the term of service as
 9 a Member of Congress, provided that the Member of
 10 Congress may not sell any covered investment at any
 11 time outside of that period while the Member of
 12 Congress serves the term for which the Member of
 13 Congress was elected or is reelected or appointed as
 14 a Member of Congress except as provided in section
 15 ~~13163(a)(2)~~.”

16 “~~(c)~~ EXCEPTION.—Notwithstanding subsection (a), a
 17 covered person may divest a covered investment as di-
 18 rected by the relevant supervising ethics office pursuant
 19 to this Act.

20 “~~(d)~~ JOINT COVERED INVESTMENT.—Any covered
 21 investment reported to the supervising ethics office as
 22 jointly owned by a Member of Congress and the spouse
 23 of the Member of Congress shall be deemed to be a covered
 24 investment of the Member of Congress for purposes of this
 25 section.”

1 **“§ 13163. Addressing owned covered investments**

2 ~~“(a) MEMBERS OF CONGRESS.—~~

3 ~~“(1) CERTIFICATION.—Not later than 60 days~~
4 ~~after the applicable effective date described in sub-~~
5 ~~section (j), a Member of Congress shall submit to~~
6 ~~the supervising ethics office a certification, which~~
7 ~~the supervising ethics office shall publish online that~~
8 ~~certifies that—~~

9 ~~“(A) each covered investment owned by, or~~
10 ~~in the custody of, the Member of Congress, or~~
11 ~~a spouse or dependent child of the Member of~~
12 ~~Congress, will, by the applicable deadline under~~
13 ~~paragraph (2), be—~~

14 ~~“(i) divested, as described in para-~~
15 ~~graph (2)(B); or~~

16 ~~“(ii) placed in a qualified blind trust,~~
17 ~~including through the establishment of a~~
18 ~~qualified blind trust for that purpose, if~~
19 ~~necessary, as described in paragraph~~
20 ~~(2)(A); and~~

21 ~~“(B) no spouse or dependent child of the~~
22 ~~Member of Congress owns, or has custody of,~~
23 ~~covered investments with a cumulative amount~~
24 ~~equal to more than \$10,000, in accordance with~~
25 ~~paragraph (6).~~

1 “(2) DIVESTITURE OR PLACEMENT IN QUALI-
2 FIED BLIND TRUST.—

3 “(A) REQUIREMENT.—Subject to para-
4 graphs (3) and (6) and subsection (b)(2), not
5 later than 120 days after the applicable effec-
6 tive date described in subsection (j), a Member
7 of Congress shall divest, or place in a qualified
8 blind trust (including by establishing a qualified
9 blind trust for that purpose, if necessary), each
10 covered investment owned or in the custody
11 of—

12 “(i) the Member of Congress; or

13 “(ii) a spouse or dependent child of
14 the Member of Congress.

15 “(B) DIVESTITURE.—A covered person
16 shall divest any covered investment owned by or
17 in the custody of the covered person that is not
18 placed in a qualified blind trust not later than
19 the date described in subparagraph (A), subject
20 to any extension granted under paragraph (3).

21 “(C) QUALIFIED BLIND TRUSTS.—

22 “(i) MANDATORY SALE OF INITIAL
23 PROPERTY IN QUALIFIED BLIND TRUST.—

24 “(I) IN GENERAL.—Subject to
25 clause (ii), if a covered person places,

1 or has placed before the applicable ef-
 2 fective date described in subsection
 3 (j), 1 or more covered investments in
 4 a qualified blind trust, the trustee of
 5 the qualified blind trust shall divest
 6 any such covered investment not later
 7 than the date specified in subclause
 8 (H).

9 “(H) DEADLINE.—The date
 10 specified in this subclause is—

11 “(aa) with respect to a cov-
 12 ered investment placed in a quali-
 13 fied blind trust before the appli-
 14 cable effective date described in
 15 subsection (j), 120 days after
 16 such applicable effective date;
 17 and

18 “(bb) with respect to a cov-
 19 ered investment placed in a quali-
 20 fied blind trust on or after the
 21 applicable effective date described
 22 in subsection (j), 120 days after
 23 the date of creation of the quali-
 24 fied blind trust, as dated by the

1 executed qualified blind trust
2 agreement.

3 ~~“(III) NOTICE OF COMPLI-~~
4 ~~ANCE.—~~

5 ~~“(aa) IN GENERAL.—Sub-~~
6 ~~ject to item (bb), upon comple-~~
7 ~~tion of the divestiture of all ini-~~
8 ~~tial property pursuant to sub-~~
9 ~~clause (I)—~~

10 ~~“(AA) the trustee of a~~
11 ~~qualified blind trust shall~~
12 ~~submit to the supervising~~
13 ~~ethics office and each bene-~~
14 ~~ficiary of the trust a written~~
15 ~~notice stating that all initial~~
16 ~~property of the qualified~~
17 ~~blind trust has been di-~~
18 ~~vested; and~~

19 ~~“(BB) the supervising~~
20 ~~ethics office shall publish the~~
21 ~~notice described in subitem~~
22 ~~(AA) on the website of the~~
23 ~~supervising ethics office.~~

1 “(bb) CONTENTS.—Each
2 notice described in item
3 (aa)(AA)—

4 “(AA) shall only iden-
5 tify the initial property gen-
6 erally by referring to the
7 complete list of assets de-
8 scribed in section
9 13104(f)(5)(A)(ii); and

10 “(BB) may not contain
11 any other information relat-
12 ing to any holding of the
13 qualified blind trust or the
14 timing of any divestiture.

15 “(ii) EXTENSION OF MANDATORY
16 SALE OF INITIAL PROPERTY.—

17 “(I) REQUEST.—A covered per-
18 son may apply to the supervising eth-
19 ics office for an extension of the pe-
20 riod described in clause (i)(I) if the
21 size or complexity of the covered in-
22 vestments in the qualified blind trust
23 warrant such extension.

1 “(H) DURATION.—An extension
2 granted under subelause (I) shall not
3 exceed 90 days.

4 “(D) ILLIQUID INVESTMENTS.—

5 “(i) SALE.—Not later than 90 days
6 after the date on which a covered person is
7 contractually permitted to sell an illiquid
8 investment, the covered person shall divest
9 the illiquid investment.

10 “(ii) PROHIBITION.—A covered person
11 may not place an illiquid investment in any
12 qualified blind trust under subparagraph
13 (A).

14 “(E) TRUSTEES.—A trustee of a qualified
15 blind trust—

16 “(i) shall be required to be a financial
17 institution, as defined in section 1a of the
18 Commodity Exchange Act (7 U.S.C. 1a);
19 and

20 “(ii) except for a financial institution,
21 may not be—

22 “(I) an attorney;

23 “(II) a certified public account-
24 ant;

1 “(III) a broker, as defined in sec-
 2 tion 3(a) of the Securities Exchange
 3 Act of 1934 (15 U.S.C. 78c(a)); or

4 “(IV) an investment advisor.

5 “(3) EXTENSION OF ASSETS BEING PLACED IN
 6 QUALIFIED BLIND TRUSTS.—If a covered person is
 7 unable to place a covered investment in a qualified
 8 blind trust by the date described in paragraph
 9 (2)(A), the applicable Member of Congress may re-
 10 quest, and the supervising ethics office may grant,
 11 1 or more reasonable extensions, subject to the con-
 12 ditions that—

13 “(A) the total period of time covered by all
 14 extensions granted for the covered investment
 15 shall not exceed 150 days; and

16 “(B) the period covered by a single exten-
 17 sion shall be not longer than 45 days.

18 “(4) COMMUNICATIONS REGARDING EXISTING
 19 QUALIFIED BLIND TRUSTS.—

20 “(A) IN GENERAL.—Any direct or indirect
 21 communication relating to a qualified blind
 22 trust in existence on the applicable effective
 23 date described in subsection (j) between a trust-
 24 ee of the qualified blind trust and an interested

1 party shall be permissible for purposes of this
 2 title if the communication—

3 “(i)(I) is made—

4 “(aa) in writing; and

5 “(bb) not later than 60 days
 6 after that effective date;

7 “(II) is filed with the applicable su-
 8 pervising ethics office by the person initi-
 9 ating the communication not less than 5
 10 days before the date of the communication;

11 “(III) relates to a direction or request
 12 to the trustee—

13 “(aa) to sell all initial property
 14 placed in the qualified blind trust by
 15 any interested party; or

16 “(bb) to convert all of an asset in
 17 the qualified blind trust into an in-
 18 vestment other than a covered invest-
 19 ment; and

20 “(ii) is otherwise permitted under sec-
 21 tion 13104(f)(3)(C)(vi).

22 “(5) COMMUNICATIONS BETWEEN COVERED
 23 PERSONS AND TRUSTEES RELATING TO ALL QUALI-
 24 FIED BLIND TRUSTS.—

1 “(A) NOTIFICATION.—A trustee of a quali-
 2 fied blind trust shall not notify a covered person
 3 if—

4 “(i) the value of the initial property of
 5 the qualified blind trust is less than
 6 \$1,000; or

7 “(ii) the trustee divests any property
 8 of the qualified blind trust, other than the
 9 initial property required to be divested pur-
 10 suant to paragraph (2).

11 “(B) COMMUNICATION.—

12 “(i) IN GENERAL.—Any communica-
 13 tion between a covered person and the
 14 trustee of the relevant qualified blind
 15 trust—

16 “(I) shall be in writing; and

17 “(II) submitted and approved in
 18 advance of the communication by the
 19 supervising ethics office.

20 “(ii) PROHIBITION.—A communica-
 21 tion described in clause (i) may not include
 22 any information relating to the manner in
 23 which funds of the qualified blind trust are
 24 invested, including any information relat-
 25 ing to—

1 “(I) any company in which the
2 funds are invested; or

3 “(H) any sector in which the
4 funds are invested.

5 “(6) EXCEPTION FOR DEPENDENTS.—A cov-
6 ered person who is a dependent child of a Member
7 of Congress may have a legal guardian hold or trade
8 on behalf of the dependent child 1 or more covered
9 investments provided that the value of the covered
10 investments in total does not exceed \$10,000.

11 “(b) ACQUISITIONS DURING SERVICE.—

12 “(1) IN GENERAL.—Subject to paragraph (2),
13 and any applicable rules issued pursuant to sub-
14 section (h)(3), effective beginning on the date of en-
15 actment of the Ending Trading and Holdings In
16 Congressional Stocks (ETHICS) Act, no covered
17 person may acquire any covered investment.

18 “(2) INHERITANCES.—

19 “(A) IN GENERAL.—Subject to subpara-
20 graph (B), a covered person who inherits a cov-
21 ered investment shall come into compliance as
22 required under subsection (a) by not later than
23 120 days after the date on which the covered
24 investment is inherited.

1 “(B) EXTENSIONS.—If a covered person is
 2 unable to meet the requirements of subpara-
 3 graph (A), the applicable Member of Congress
 4 may request, and the supervising ethics office
 5 may grant, 1 or more reasonable extensions,
 6 subject to the conditions that—

7 “(i) the total period of time covered
 8 by all extensions granted for the covered
 9 investment shall not exceed 150 days; and

10 “(ii) the period covered by a single ex-
 11 tension shall be not longer than 45 days.

12 “(c) FAMILY TRUSTS.—

13 “(1) IN GENERAL.—A supervising ethics office
 14 may grant an exemption for a family trust only if—

15 “(A) no covered person—

16 “(i) is a grantor of the family trust;

17 “(ii) contributed any asset to the fam-
 18 ily trust; or

19 “(iii) has any authority over a trustee
 20 of the family trust, including the authority
 21 to appoint, replace, or direct the actions of
 22 such a trustee; and

23 “(B) the grantor of the family trust is or
 24 was a family member of the covered person.

1 ~~“(2) REQUESTS.—A covered person seeking an~~
 2 ~~exemption under paragraph (1) shall submit to the~~
 3 ~~applicable supervising ethics office a request for the~~
 4 ~~exemption, in writing, certifying that the conditions~~
 5 ~~described in that paragraph are met.~~

6 ~~“(3) PUBLICATION.—A supervising ethics office~~
 7 ~~shall publish on the public website of the supervising~~
 8 ~~ethics office—~~

9 ~~“(A) a copy of each request submitted~~
 10 ~~under paragraph (2); and~~

11 ~~“(B) the written response of the super-~~
 12 ~~vising ethics office to each request described in~~
 13 ~~subparagraph (A).~~

14 ~~“(d) MINGLING OF ASSETS.—A spouse or dependent~~
 15 ~~child of a Member of Congress may place a covered invest-~~
 16 ~~ment in a qualified blind trust established by the Member~~
 17 ~~of Congress under subsection (a)(2)(A)(i).~~

18 ~~“(e) SEPARATION FROM SERVICE AND COOLING-OFF~~
 19 ~~PERIOD REQUIRED FOR CONTROL.—During the period~~
 20 ~~beginning on the date on which an individual becomes a~~
 21 ~~Member of Congress and ending on the date that is 90~~
 22 ~~days after the date on which the individual ceases to serve~~
 23 ~~as a Member of Congress, the Member of Congress, and~~
 24 ~~any spouse or dependent child of the Member of Congress,~~
 25 ~~may not—~~

1 “(1) dissolve any qualified blind trust in which
2 a covered investment has been placed pursuant to
3 subsection (a)(2); or

4 “(2) except as provided in this section, other-
5 wise control a covered investment, including pur-
6 chasing new covered investments.

7 “(f) REPORTING REQUIREMENTS.—

8 “(1) SUPERVISING ETHICS OFFICES.—Each su-
9 pervising ethics office shall make available on the
10 public website of the supervising ethics office—

11 “(A) a copy of—

12 “(i) each certification submitted to
13 the supervising ethics office under sub-
14 section (a)(1);

15 “(ii) each qualified blind trust agree-
16 ment of each covered person;

17 “(iii) each notice and other docu-
18 mentation submitted to the supervising
19 ethics office under this section; and

20 “(iv) each notice, ruling, and other
21 documentation issued or received by the
22 supervising ethics office under subsection
23 (e);

1 ~~“(B) a schedule of all assets placed in a~~
 2 ~~qualified blind trust by each covered person and~~
 3 ~~interested party; and~~

4 ~~“(C) a description of each extension grant-~~
 5 ~~ed, and each civil penalty imposed, pursuant to~~
 6 ~~this section.~~

7 ~~“(2) TRUSTEES.—Each trustee of a qualified~~
 8 ~~blind trust established by a covered person shall sub-~~
 9 ~~mit to the covered person and the applicable super-~~
 10 ~~vising ethics office a written notice in any case in~~
 11 ~~which the trustee learns that an interested party has~~
 12 ~~obtained knowledge of any trust property other than~~
 13 ~~the initial property of the qualified blind trust.~~

14 ~~“(3) MEMBER OF CONGRESS.—Each Member of~~
 15 ~~Congress who is a beneficiary of a qualified blind~~
 16 ~~trust shall submit to the applicable supervising eth-~~
 17 ~~ics office—~~

18 ~~“(A) a copy of the executed qualified blind~~
 19 ~~trust agreement by not later than 30 days after~~
 20 ~~the date of execution;~~

21 ~~“(B) a list of each asset and each financial~~
 22 ~~interest transferred to the qualified blind trust~~
 23 ~~by an interested party by not later than 30~~
 24 ~~days after the date of the transfer;~~

1 “(C) a copy of each notice submitted to the
2 Member of Congress under paragraph (2) by
3 not later than 30 days after the date of receipt;

4 “(D) a written notice that an interested
5 party has obtained knowledge of any holding of
6 the qualified blind trust by not later than the
7 date that is 30 days after the date on which the
8 Member of Congress discovered that the knowl-
9 edge had been obtained; and

10 “(E) a written notice of dissolution of the
11 qualified blind trust by not later than 30 days
12 after the date of dissolution.

13 “(4) FEDERAL BENEFITS.—

14 “(A) COVERED PAYMENT.—In this para-
15 graph, the term ‘covered payment’—

16 “(i) means a payment of money or
17 any other item of value made, or promised
18 to be made, by the Federal Government;

19 “(ii) includes—

20 “(I) a loan agreement, contract,
21 or grant made, or promised to be
22 made, by the Federal Government, in-
23 cluding such an agreement, contract,
24 or grant relating to agricultural activ-
25 ity; and

1 “(H) such other types of pay-
 2 ment of money or items of value as
 3 the supervising ethics office may es-
 4 tablish, by guidance; and
 5 “(iii) does not include—

6 “(I) any salary or compensation
 7 for service performed as, or reim-
 8 bursement of personal outlay by, an
 9 officer or employee of the Federal
 10 Government; or

11 “(II) any tax refund (including a
 12 refundable tax credit);

13 “(B) REPORTING REQUIREMENT.—Not
 14 later than 30 days after the date of receipt of
 15 a notice of any application for, or receipt of, a
 16 covered payment by a covered person (including
 17 any business owned and controlled by the cov-
 18 ered person); but in no case later than 45 days
 19 after the date on which the covered payment is
 20 made or promised to be made, the covered per-
 21 son shall submit to the applicable supervising
 22 ethics office a report describing the covered
 23 payment.

24 “(g) ENFORCEMENT.—

1 “(1) DIVESTITURE OR PLACEMENT IN QUALI-
2 FIED BLIND TRUST.—

3 “(A) IN GENERAL.—The applicable super-
4 vising ethics office shall provide a written notice
5 (including notice of the potential for civil pen-
6 alties under subparagraph (B)) to any Member
7 of Congress if the Member of Congress, or
8 spouse or dependent child of the Member of
9 Congress—

10 “(i) fails to submit a certification
11 under subsection (a)(1) by the date on
12 which the certification is required to be
13 submitted;

14 “(ii) fails to divest or place in a quali-
15 fied blind trust a covered investment
16 owned by, or in the custody of the covered
17 person, in accordance with subsection
18 (a)(2); subject to any extension under sub-
19 section (a)(3); or

20 “(iii) acquires an interest in a covered
21 investment in violation of this section.

22 “(B) CIVIL PENALTIES.—

23 “(i) IN GENERAL.—In the event of
24 continuing noncompliance after issuance of
25 the notice described in subparagraph (A);

1 the supervising ethics office shall impose a
 2 civil penalty, in the amount described in
 3 clause (ii), on a Member of Congress to
 4 whom a notice is provided under clause (i)
 5 or (ii) of subparagraph (A)—

6 “(I) on the date that is 30 days
 7 after the date of provision of the no-
 8 tice; and

9 “(II) during the period in which
 10 such noncompliance continues; not
 11 less frequently than once every 30
 12 days thereafter.

13 “(ii) AMOUNT.—The amount of each
 14 civil penalty imposed on a Member of Con-
 15 gress pursuant to clause (i) shall be equal
 16 to the greater of—

17 “(I) the monthly equivalent of
 18 the annual rate of pay payable to the
 19 Member of Congress; and

20 “(II) an amount equal to 10 per-
 21 cent of the value of each covered in-
 22 vestment that was not divested or
 23 placed into a qualified blind trust in
 24 violation of this section during the pe-
 25 riod covered by the penalty.

1 “(2) COMMUNICATIONS.—The Attorney General
 2 of the United States shall file a civil action seeking
 3 to impose a civil penalty on any covered person or
 4 trustee of a qualified blind trust who violates sub-
 5 section (a)(4), or otherwise discloses the contents of
 6 a qualified blind trust to any unauthorized indi-
 7 vidual, equal to the greater of—

8 “(A) \$10,000 per each communication; or

9 “(B) 1 percent of the value of the qualified
 10 blind trust on the date of the violation.

11 “(h) DUTIES OF SUPERVISING ETHICS OFFICES.—
 12 Each supervising ethics office in the legislative branch
 13 shall—

14 “(1) impose and collect civil penalties in accord-
 15 ance with subsection (g);

16 “(2) establish such procedures and standard
 17 forms as the supervising ethics office determines to
 18 be appropriate to implement this section;

19 “(3) issue such rules and guidelines as the su-
 20 pervising ethics office determines to be appropriate
 21 for the implementation and application of this title;
 22 and

23 “(4) publish on a website all documents and
 24 communications described in this subsection.

1 “(i) ~~RULE OF CONSTRUCTION.~~—Nothing in this sec-
 2 tion shall be construed to prevent a covered person from
 3 owning or trading—

4 “(1) a diversified mutual fund; or

5 “(2) a publicly traded, diversified exchange
 6 traded fund.

7 “(j) ~~EFFECTIVE DATE.~~—This section shall apply to
 8 each covered person beginning on the date on which the
 9 covered person (or with respect to a covered person that
 10 is a spouse or dependent child of a Member of Congress,
 11 the date on which that Member of Congress) commences
 12 the first new term of service as a Member of Congress
 13 on or after January 31, 2023.”.

14 (b) ~~CLERICAL AMENDMENT.~~—The table of sections
 15 for chapter 131 of title 5, United States Code, is amended
 16 by adding at the end the following:

“SUBCHAPTER IV—CERTAIN ASSETS OF MEMBERS OF CONGRESS AND THEIR
 SPOUSES AND DEPENDENT CHILDREN

“13161. Definitions:

“13162. Trading covered investments

“13163. Addressing owned covered investments”.

17 (c) ~~TECHNICAL AND CONFORMING AMENDMENTS.~~—

18 (1) ~~TITLE 5.~~—Title 5, United States Code, is
 19 amended—

20 (A) in section 13103(f)—

21 (i) in paragraph (9), by striking “as
 22 defined in section 13101 of this title”;

1 (ii) in paragraph (10), by striking “as
2 defined in section 13101 of this title”;

3 (iii) in paragraph (11), by striking
4 “as defined in section 13101 of this title”;
5 and

6 (iv) in paragraph (12), by striking “as
7 defined in section 13101 of this title”; and
8 (B) in section 13122(f)(2)(B)—

9 (i) by striking “Subject to clause (iv)
10 of this subparagraph, before” each place it
11 appears and inserting “Before”; and

12 (ii) by striking clause (iv).

13 (2) LOBBYING DISCLOSURE ACT OF 1995.—Sec-
14 tion 3(4)(D) of the Lobbying Disclosure Act of 1995
15 (2 U.S.C. 1602(4)(D)) is amended by striking “leg-
16 islative branch employee serving in a position de-
17 scribed under section 13101(13) of title 5, United
18 States Code” and inserting “officer or employee of
19 Congress (as defined in section 13101 of title 5,
20 United States Code)”.

21 (3) SECURITIES EXCHANGE ACT OF 1934.—Sec-
22 tion 21A of the Securities Exchange Act of 1934 (15
23 U.S.C. 78u-1) is amended—

1 (A) in subsection (g)(2)(B)(ii), by striking
 2 “section 13101(11)” and inserting “section
 3 13101”; and

4 (B) in subsection (h)(2)—

5 (i) in subparagraph (B), by striking
 6 “in section 13101(9)” and inserting
 7 “under section 13101”; and

8 (ii) in subparagraph (C), by striking
 9 “section 13101(10)” and inserting “in sec-
 10 tion 13101”.

11 **SEC. 3. PENALTY FOR STOCK ACT NONCOMPLIANCE.**

12 (a) **FINES FOR FAILURE TO REPORT.**—

13 (1) **IN GENERAL.**—The STOCK Act (Public
 14 Law 112–105, 126 Stat. 291) is amended by adding
 15 at the end the following:

16 **“SEC. 20. FINES FOR FAILURE TO REPORT.**

17 “(a) **IN GENERAL.**—Notwithstanding any other pro-
 18 vision of law (including regulations), a reporting individual
 19 shall be assessed a fine, pursuant to regulations issued by
 20 the applicable supervising ethics office (including the Ad-
 21 ministrative Office of the United States Courts, as appli-
 22 cable), of \$500 in each case in which the reporting indi-
 23 vidual fails to file a transaction report required under this
 24 Act or an amendment made by this Act.

1 “(b) ~~DEPOSIT IN TREASURY.~~—The fines paid under
 2 this section shall be deposited in the miscellaneous receipts
 3 of the Treasury.”.

4 (2) ~~EFFECTIVE DATE.~~—The amendments made
 5 by paragraph (1) shall take effect on the date on
 6 which the reporting individual who is a Member of
 7 Congress commences the first new term of service as
 8 a Member of Congress on or after January 31,
 9 2023.

10 (b) ~~RULES, REGULATIONS, GUIDANCE, AND DOCU-~~
 11 ~~MENTS.~~—Not later than 1 year after the date of enact-
 12 ment of this Act, each supervising ethics office (as defined
 13 in section 13101 of title 5, United States Code) (including
 14 the Administrative Office of the United States Courts, as
 15 applicable) shall amend the rules, regulations, guidance,
 16 documents, papers, and other records of the supervising
 17 ethics office in accordance with the amendment made by
 18 this section.

19 **SEC. 4. ELECTRONIC FILING AND ONLINE PUBLIC AVAIL-**
 20 **ABILITY OF FINANCIAL DISCLOSURE FORMS.**

21 (a) ~~MEMBERS OF CONGRESS AND CONGRESSIONAL~~
 22 ~~STAFF.~~—Section 8(b)(1) of the STOCK Act (5 U.S.C.
 23 13107 note) is amended—

24 (1) in the matter preceding subparagraph (A);
 25 by inserting “, pursuant to subchapter I of chapter

1 ~~131~~ of part IV of title 5, United States Code,
 2 through databases maintained on the official
 3 websites of the House of Representatives and the
 4 Senate” after “enable”; and

5 (2) by striking subparagraph (B) and the un-
 6 designated matter following that subparagraph and
 7 inserting the following:

8 “(B) public access—

9 “(i) to each—

10 “(I) financial disclosure report
 11 filed by a Member of Congress or a
 12 candidate for Congress;

13 “(II) transaction disclosure re-
 14 port filed by a Member of Congress or
 15 a candidate for Congress pursuant to
 16 subsection (I) of that section; and

17 “(III) notice of extension, amend-
 18 ment, or blind trust, with respect to a
 19 report described in subelause (I) or
 20 (II), pursuant to subchapter I of
 21 chapter ~~131~~ of part IV of title 5,
 22 United States Code; and

23 “(ii) in a manner that—

24 “(I) allows the public to search,
 25 sort, and download data contained in

1 the reports described in subclause (I)
 2 or (II) of clause (i) by criteria re-
 3 quired to be reported, including by
 4 filer name, asset, transaction type,
 5 ticker symbol, notification date,
 6 amount of transaction, and date of
 7 transaction;

8 “(II) allows access through an
 9 application programming interface;
 10 and

11 “(III) is fully compliant with—

12 “(aa) section 508 of the Re-
 13 habilitation Act of 1973 (29
 14 U.S.C. 794d); and

15 “(bb) the most recent Web
 16 Content Accessibility Guidelines
 17 (or successor guidelines).”.

18 (b) **EFFECTIVE DATE.**—The amendments made by
 19 this section take effect on the date that is 18 months after
 20 the date of enactment of this Act.

21 **SEC. 5. SEVERABILITY.**

22 If any provision of this Act, an amendment made by
 23 this Act, or the application of such provision or amend-
 24 ment to any person or circumstance is held to be unconsti-
 25 tutional, the remainder of this Act and of the amendments

1 made by this Act, and the application of the remaining
 2 provisions of this Act and amendments to any person or
 3 circumstance, shall not be affected.

4 **SECTION 1. SHORT TITLE.**

5 *This Act may be cited as the “Ending Trading and*
 6 *Holdings In Congressional Stocks (ETHICS) Act”.*

7 **SEC. 2. DIVESTMENT OF CERTAIN ASSETS OF MEMBERS OF**
 8 **CONGRESS, THE PRESIDENT, THE VICE**
 9 **PRESIDENT, AND THEIR SPOUSES AND DE-**
 10 **PENDENT CHILDREN.**

11 *(a) IN GENERAL.—Chapter 131 of title 5, United*
 12 *States Code, is amended by adding at the end the following:*

13 **“Subchapter IV—Certain Assets of Members of**
 14 **Congress, the President, the Vice Presi-**
 15 **dent, and Their Spouses and Dependent**
 16 **Children**

17 **“§ 13161. Definitions**

18 *“In this subchapter:*

19 *“(1) COMMODITY.—The term ‘commodity’ has*
 20 *the meaning given the term in section 1a of the Com-*
 21 *modity Exchange Act (7 U.S.C. 1a).*

22 *“(2) COVERED INVESTMENT.—*

23 *“(A) IN GENERAL.—The term ‘covered in-*
 24 *vestment’ means—*

25 *“(i) an investment in—*

1 “(I) a security;

2 “(II) a commodity;

3 “(III) a future; or

4 “(IV) a digital asset;

5 “(ii) any economic interest comparable
6 to an interest described in clause (i) that is
7 acquired through synthetic means, such as
8 the use of a derivative, including an option,
9 warrant, or other similar means; or

10 “(iii) any interest described in clause
11 (i) or (ii) that is held directly, or in which
12 an individual has an indirect, beneficial, or
13 economic interest, through—

14 “(I) an investment fund or hold-
15 ing company;

16 “(II) a trust;

17 “(III) an employee benefit plan;

18 or

19 “(IV) a deferred compensation
20 plan, including a carried interest or
21 other agreement tied to the perform-
22 ance of an investment, other than a
23 fixed cash payment.

24 “(B) *EXCLUSIONS.*—The term ‘covered in-
25 vestment’ does not include—

1 “(i) a diversified mutual fund (includ-
2 ing any holdings of such a fund);

3 “(ii) a diversified exchange-traded
4 fund (including any holdings of such a
5 fund);

6 “(iii) a United States Treasury bill,
7 note, or bond;

8 “(iv) compensation from the primary
9 occupation of the spouse of a covered person,
10 or any security that is issued or paid by an
11 operating business that is the primary em-
12 ployer of such a spouse that is issued or
13 paid to such a spouse;

14 “(v) holding and acquiring any secu-
15 rity that is issued or paid as compensation
16 from corporate board service by the spouse
17 of a covered person, including the dividend
18 reinvestment in the same security received
19 from the corporate board service by the
20 spouse of a covered person;

21 “(vi) any covered investment that is
22 traded by the spouse of a covered person in
23 the course of performing the primary occu-
24 pation of such a spouse, provided the invest-
25 ment is not owned by a covered person or

1 *the spouse or dependent child of a covered*
2 *person;*

3 “(vii) *any investment fund held in a*
4 *Federal, State, or local government em-*
5 *ployee retirement plan;*

6 “(viii) *a tax-free State or municipal*
7 *bond;*

8 “(ix) *an interest in a small business*
9 *concern, if the supervising ethics office de-*
10 *termines that the small business concern*
11 *does not present a conflict of interest, and,*
12 *in the case of an investment in a family*
13 *farm or ranch that qualifies as an interest*
14 *in a small business concern, a future or*
15 *commodity directly related to the farming*
16 *activities and products of the farm or*
17 *ranch;*

18 “(x) *holding investment-grade cor-*
19 *porate bonds, provided that the corporate*
20 *bonds are held by an individual who is a*
21 *covered person, or a spouse or dependent*
22 *child of a covered person, on the date of en-*
23 *actment of the Ending Trading and Hold-*
24 *ings In Congressional Stocks (ETHICS)*
25 *Act;*

1 “(xi) any share of Settlement Common
2 Stock issued under section 7(g)(1)(A) of the
3 Alaska Native Claims Settlement Act (43
4 U.S.C. 1606(g)(1)(A)); or

5 “(xii) any share of Settlement Com-
6 mon Stock, as defined in section 3 of the
7 Alaska Native Claims Settlement Act (43
8 U.S.C. 1602).

9 “(C) *RULE OF CONSTRUCTION.*—Nothing in
10 this paragraph shall be construed to imply that
11 particular digital assets are not securities, com-
12 modities, or other types of covered investments.

13 “(3) *COVERED PERSON.*—The term ‘covered per-
14 son’ means—

15 “(A) a Member of Congress;

16 “(B) the President of the United States; or

17 “(C) the Vice President of the United
18 States.

19 “(4) *CUSTODY.*—The term ‘custody’ has the
20 meaning given the term in section 275.206(4)–2(d) of
21 title 17, Code of Federal Regulations, as in effect on
22 the date of enactment of the Ending Trading and
23 Holdings In Congressional Stocks (ETHICS) Act (or
24 any successor regulation).

1 “(5) *DEPENDENT CHILD*.—The term ‘dependent
2 *child*’ means, with respect to any covered person, any
3 individual who is—

4 “(A) under 19 years of age; and

5 “(B) a dependent of the covered person
6 within the meaning of section 152 of the Internal
7 Revenue Code of 1986.

8 “(6) *DIGITAL ASSET*.—The term ‘digital asset’
9 means any digital representation of value that is re-
10 corded on a cryptographically secured distributed
11 ledger or any similar technology.

12 “(7) *DIVERSIFIED*.—The term ‘diversified’, with
13 respect to a fund, trust, or plan, means that the fund,
14 trust, or plan does not have a stated policy of concen-
15 trating its investments in any single industry, busi-
16 ness, or single country other than the United States.

17 “(8) *FUTURE*.—The term ‘future’ means—

18 “(A) a security future (as defined in section
19 3(a) of the Securities Exchange Act of 1934 (15
20 U.S.C. 78c(a))); and

21 “(B) any other contract for the sale of a
22 commodity for future delivery.

23 “(9) *ILLIQUID INVESTMENT*.—The term ‘illiquid
24 investment’ means an interest in a private fund, as

1 *defined in section 202(a) of the Investment Advisers*
 2 *Act of 1940 (15 U.S.C. 80b-2(a)).*

3 “(10) *INTERESTED PARTY.*—*The term ‘interested*
 4 *party’ has the meaning given the term in section*
 5 *13104(f)(3)(E).*

6 “(11) *MEMBER OF CONGRESS; SUPERVISING*
 7 *ETHICS OFFICE.*—*The terms ‘Member of Congress’*
 8 *and ‘supervising ethics office’ have the meanings*
 9 *given those terms in section 13101.*

10 “(12) *QUALIFIED BLIND TRUST.*—*The term*
 11 *‘qualified blind trust’ has the meaning given the term*
 12 *in section 13104(f)(3).*

13 “(13) *SECURITY.*—*The term ‘security’ has the*
 14 *meaning given the term in section 3(a) of the Securi-*
 15 *ties Exchange Act of 1934 (15 U.S.C. 78c(a)).*

16 “(14) *SMALL BUSINESS CONCERN.*—*The term*
 17 *‘small business concern’ has the meaning given the*
 18 *term under section 3 of the Small Business Act (15*
 19 *U.S.C. 632).*

20 **“§ 13162. Trading covered investments**

21 “(a) *BAN ON TRADING.*—*Except as provided in sub-*
 22 *sections (b) and (c)—*

23 “(1) *effective on the date of enactment of the*
 24 *Ending Trading and Holdings In Congressional*

1 *Stocks (ETHICS) Act, a covered person shall not pur-*
 2 *chase any covered investment;*

3 *“(2) effective on the date that is 90 days after the*
 4 *date of enactment of the Ending Trading and Hold-*
 5 *ings In Congressional Stocks (ETHICS) Act, a cov-*
 6 *ered person shall not sell any covered investment, ex-*
 7 *cept as provided in section 13163(a)(1); and*

8 *“(3) on and after the effective date described in*
 9 *section 13163(j), an individual who is a spouse or de-*
 10 *pendent child of a covered person shall not purchase*
 11 *any covered investment or sell any covered invest-*
 12 *ment, except as provided in section 13163(a)(1).*

13 *“(b) OPTIONAL DIVESTMENT WINDOW.—*

14 *“(1) CURRENT MEMBERS.—Notwithstanding sub-*
 15 *section (a), a covered person who is sworn into office*
 16 *on or before the date of enactment of the Ending*
 17 *Trading and Holdings In Congressional Stocks*
 18 *(ETHICS) Act may sell a covered investment within*
 19 *90 days of the date of enactment of such Act.*

20 *“(2) NEW MEMBERS.—Notwithstanding sub-*
 21 *section (a), a covered person who is sworn into office*
 22 *after the date of enactment of the Ending Trading*
 23 *and Holdings In Congressional Stocks (ETHICS)*
 24 *Act, but before the effective date under section*
 25 *13163(j), may sell a covered investment within 90*

1 *days of commencing a new non-consecutive term of*
 2 *service as a Member of Congress, President, or Vice*
 3 *President.*

4 “(c) *EXCEPTION.*—Notwithstanding subsection (a), a
 5 *covered person may divest a covered investment as directed*
 6 *by the relevant supervising ethics office pursuant to this*
 7 *Act.*

8 “(d) *JOINT COVERED INVESTMENT.*—Any covered in-
 9 *vestment reported to the supervising ethics office as jointly*
 10 *owned by a covered person and the spouse of the covered*
 11 *person shall be deemed to be a covered investment of the*
 12 *covered person for purposes of this section.*

13 **“§ 13163. Addressing owned covered investments**

14 “(a) *COVERED PERSONS.*—

15 “(1) *DIVESTITURE.*—

16 “(A) *REQUIREMENTS.*—

17 “(i) *OFFICIALS SWORN IN BEFORE THE*
 18 *EFFECTIVE DATE.*—Subject to paragraph
 19 (2) and the amendments made under sub-
 20 section (b), a covered person who is sworn
 21 into office on or before the effective date de-
 22 scribed in subsection (j), not later than 120
 23 days after the effective date described in
 24 subsection (j), subject to any extension
 25 granted under subparagraph (C)(iii) of this

1 paragraph, shall divest each covered invest-
 2 ment owned or in the custody of—

3 “(I) the covered person; or

4 “(II) a spouse or dependent child
 5 of the covered person.

6 “(ii) OFFICIALS SWORN IN AFTER THE
 7 EFFECTIVE DATE.—Subject to paragraph
 8 (2) and the amendments made under sub-
 9 section (b), a covered person who is sworn
 10 into office after the effective date described
 11 in subsection (j), not later than 120 days
 12 after commencing a new non-consecutive
 13 term of service as a Member of Congress,
 14 President, or Vice President, subject to any
 15 extension granted under subparagraph
 16 (C)(iii) of this paragraph, shall divest each
 17 covered investment owned or in the custody
 18 of—

19 “(I) the covered person; or

20 “(II) a spouse or dependent child
 21 of the covered person.

22 “(B) ILLIQUID INVESTMENTS.—Not later
 23 than 90 days after the date on which a covered
 24 person is contractually permitted to sell an il-

1 *liquid investment, the covered person shall divest*
 2 *the illiquid investment.*

3 “(C) *QUALIFIED BLIND TRUSTS.*—

4 “(i) *PROHIBITION ON FUTURE QUALI-*
 5 *FIED BLIND TRUSTS.*—*Except as provided*
 6 *in clause (iii), on and after the date that is*
 7 *180 days after the effective date described in*
 8 *subsection (j), no covered person, or the*
 9 *spouse or dependent child of the covered per-*
 10 *son, may maintain a qualified blind trust.*

11 “(ii) *MANDATORY SALE OF COVERED*
 12 *INVESTMENTS IN EXISTING QUALIFIED*
 13 *BLIND TRUSTS.*—

14 “(I) *IN GENERAL.*—*The trustee of*
 15 *a qualified blind trust holding covered*
 16 *investments shall, at a time elected by*
 17 *the covered person, on behalf of a cov-*
 18 *ered person, and in accordance with*
 19 *clause (iv)—*

20 “(aa) *divest all covered in-*
 21 *vestments held in the qualified*
 22 *blind trust for the purposes of*
 23 *complying with the divestiture re-*
 24 *quirements under this section, in*

1 *accordance with subparagraph*
 2 *(A); and*

3 *“(bb) dissolve the qualified*
 4 *blind trust in accordance with*
 5 *this chapter and guidance from*
 6 *the supervising ethics office.*

7 *“(II) NOTICE OF COMPLIANCE.—*

8 *“(aa) NOTICE OF DIVESTI-*
 9 *TURE.—*

10 *“(AA) IN GENERAL.—*

11 *Upon the completion of di-*
 12 *vestiture of all covered invest-*
 13 *ments pursuant to subclause*
 14 *(I)(aa), the trustee shall sub-*
 15 *mit to the supervising ethics*
 16 *office and the applicable cov-*
 17 *ered person a written notice*
 18 *stating that the trustee has*
 19 *completed divestiture of all*
 20 *covered investments held in*
 21 *the qualified blind trust pur-*
 22 *suant to subclause (I)(aa).*

23 *“(BB) PUBLICATION.—*

24 *The supervising ethics office*
 25 *shall publish the notice re-*

1 *quired under subitem (AA)*
 2 *on the website of the super-*
 3 *vising ethics office.*

4 *“(bb) NOTICE OF DISSOLU-*
 5 *TION.—Upon the dissolution of a*
 6 *qualified blind trust pursuant to*
 7 *subclause (I)(bb), the trustee shall*
 8 *submit to the supervising ethics*
 9 *office and the applicable covered*
 10 *person a written notice stating*
 11 *that the trust has dissolved the*
 12 *qualified blind trust pursuant to*
 13 *subclause (I)(bb) and shall include*
 14 *a list of the assets held in the*
 15 *qualified blind trust on the date of*
 16 *the dissolution of such trust and*
 17 *the category of value of each such*
 18 *asset.*

19 *“(iii) EXTENSION OF MANDATORY SALE*
 20 *OF COVERED INVESTMENTS.—*

21 *“(I) REQUEST.—Each covered*
 22 *person who maintains a qualified*
 23 *blind trust established by the covered*
 24 *person, or a spouse or dependent child*
 25 *of the covered person, in any case in*

1 *which the trustee of the qualified blind*
 2 *trust believes the size or complexity of*
 3 *the covered investments in the qualified*
 4 *blind trust warrant such extension*
 5 *may apply to the supervising ethics of-*
 6 *fice for an extension of the period de-*
 7 *scribed in subparagraph (A).*

8 “(II) *DURATION.*—*An extension*
 9 *granted under subclause (I) shall not*
 10 *exceed 90 days.*

11 “(iv) *COMMUNICATIONS.*—*A covered*
 12 *person may communicate with and direct*
 13 *the trustee of their qualified blind trust for*
 14 *the purposes of—*

15 “(I) *determining when divestment*
 16 *of covered investments in the qualified*
 17 *blind trust should occur, pursuant to*
 18 *paragraph 1(A) of this subsection,*
 19 *clause (ii) of this subparagraph, or sec-*
 20 *tion 13162(b), as applicable;*

21 “(II) *determining which per-*
 22 *mitted property covered investments*
 23 *should be divested into; and*

24 “(III) *whether the trustee utilizes*
 25 *a certificate of divestiture pursuant to*

1 *section 1043(b) of the Internal Revenue*
 2 *Code of 1986, as amended by sub-*
 3 *section (b) of this section.*

4 “(2) *EXCEPTION FOR DEPENDENTS.*—*An indi-*
 5 *vidual who is a dependent child of a covered person*
 6 *may have a legal guardian hold or trade on behalf of*
 7 *the dependent child 1 or more covered investments*
 8 *provided that the value of the covered investments in*
 9 *total does not exceed \$10,000.*

10 “(b) *TAX TREATMENT OF DIVESTITURES.*—

11 “(1) *IN GENERAL.*—*Section 1043(b) of the Inter-*
 12 *nal Revenue Code of 1986 is amended—*

13 “(A) *in paragraph (1)(A), by inserting ‘or*
 14 *a covered person (as defined in section 13161 of*
 15 *title 5, United States Code),’ after ‘of the Federal*
 16 *Government,’;*

17 “(B) *in paragraph (2)(B)—*

18 “(i) *by striking ‘employees, or’ and in-*
 19 *serting ‘employees,’; and*

20 “(ii) *by inserting ‘or the applicable su-*
 21 *pervising ethics office (as defined in section*
 22 *13101 of title 5, United States Code), in the*
 23 *case of a covered person’ after ‘judicial offi-*
 24 *cers,’; and*

“(C) in paragraph (3), by striking ‘or any diversified investment fund approved by regulations issued by the Office of Government Ethics’ and inserting ‘, any diversified investment fund approved by regulations issued by the Office of Government Ethics (in the case of any eligible person who is not a covered person (as defined in section 13161 of title 5, United States Code)), or any diversified mutual fund or a diversified exchange-traded fund described in clause (i) or (ii) of section 13161(2)(B) of title 5, United States Code (in the case of any eligible person who is a covered person (as so defined)).’.

“(2) *EFFECTIVE DATE.*—The amendments made by this subsection shall apply to sales after the date of enactment of the *Ending Trading and Holdings In Congressional Stocks (ETHICS) Act*.

“(c) *ACQUISITIONS DURING SERVICE.*—

“(1) *IN GENERAL.*—Subject to paragraph (2), and any applicable rules issued pursuant to subsection (h)(3), effective beginning on the date of enactment of the *Ending Trading and Holdings In Congressional Stocks (ETHICS) Act*, no covered person, or spouse or dependent child of a covered person, may acquire any covered investment.

1 “(2) *INHERITANCES.*—

2 “(A) *IN GENERAL.*—Subject to subpara-
3 graph (B), a covered person, or a spouse or de-
4 pendent child of a covered person, who inherits
5 a covered investment shall come into compliance
6 as required under subsection (a) by not later
7 than 120 days after the date on which the cov-
8 ered investment is inherited.

9 “(B) *EXTENSIONS.*—If a covered person, or
10 a spouse or dependent child of a covered person,
11 is unable to meet the requirements of subpara-
12 graph (A), the applicable covered person may re-
13 quest, and the supervising ethics office may
14 grant, 1 or more reasonable extensions, subject to
15 the conditions that—

16 “(i) the total period of time covered by
17 all extensions granted for the covered invest-
18 ment shall not exceed 150 days; and

19 “(ii) the period covered by a single ex-
20 tension shall be not longer than 45 days.

21 “(d) *FAMILY TRUSTS.*—

22 “(1) *IN GENERAL.*—A supervising ethics office
23 may grant an exemption for a family trust only if—

24 “(A) no covered person, or spouse or de-
25 pendent child of a covered person—

1 “(i) is a grantor of the family trust;

2 “(ii) contributed any asset to the fam-
3 ily trust; or

4 “(iii) has any authority over a trustee
5 of the family trust, including the authority
6 to appoint, replace, or direct the actions of
7 such a trustee; and

8 “(B) the grantor of the family trust is or
9 was a family member of the covered person, or
10 the spouse or dependent child of the covered per-
11 son.

12 “(2) *REQUESTS*.—A covered person seeking an
13 exemption under paragraph (1) shall submit to the
14 applicable supervising ethics office a request for the
15 exemption, in writing, certifying that the conditions
16 described in that paragraph are met.

17 “(3) *PUBLICATION*.—A supervising ethics office
18 shall publish on the public website of the supervising
19 ethics office—

20 “(A) a copy of each request submitted under
21 paragraph (2); and

22 “(B) the written response of the supervising
23 ethics office to each request described in subpara-
24 graph (A).

1 “(e) *SEPARATION FROM SERVICE AND COOLING-OFF*
2 *PERIOD REQUIRED FOR CONTROL.*—During the period be-
3 ginning on the date on which an individual becomes a
4 Member of Congress, President, or Vice President and end-
5 ing on the date that is 90 days after the date on which
6 the individual ceases to serve as a Member of Congress,
7 President, or Vice President, the covered person, and any
8 spouse or dependent child of the covered person, may not,
9 except as provided in this section, otherwise control a cov-
10 ered investment, including purchasing new covered invest-
11 ments.

12 “(f) *REPORTING REQUIREMENTS.*—

13 “(1) *SUPERVISING ETHICS OFFICES.*—Each su-
14 pervising ethics office shall make available on the
15 public website of the supervising ethics office—

16 “(A) a copy of—

17 “(i) each notification submitted to the
18 supervising ethics office in accordance with
19 subsection (a)(1)(C)(ii)(II);

20 “(ii) each notice and other documenta-
21 tion submitted to the supervising ethics of-
22 fice under this section; and

23 “(iii) each written response and other
24 documentation issued or received by the su-
25 pervising ethics office under subsection (d);

1 “(B) not later than 30 days after a quali-
 2 fied blind trust maintained by a covered person
 3 is dissolved, a written notice of the dissolution of
 4 the qualified blind trust; and

5 “(C) a description of each extension grant-
 6 ed, and each civil penalty imposed, pursuant to
 7 this section.

8 “(2) *FEDERAL BENEFITS.*—

9 “(A) *COVERED PAYMENT.*—In this para-
 10 graph, the term ‘covered payment’—

11 “(i) means a payment of money or any
 12 other item of value made, or promised to be
 13 made, by the Federal Government;

14 “(ii) includes—

15 “(I) a loan agreement, contract,
 16 or grant made, or promised to be
 17 made, by the Federal Government, in-
 18 cluding such an agreement, contract,
 19 or grant relating to agricultural activ-
 20 ity; and

21 “(II) such other types of payment
 22 of money or items of value as the su-
 23 pervising ethics office may establish, by
 24 guidance; and

25 “(iii) does not include—

1 “(I) any salary or compensation
2 for service performed as, or reimburse-
3 ment of personal outlay by, an officer
4 or employee of the Federal Govern-
5 ment; or

6 “(II) any tax refund (including a
7 refundable tax credit).

8 “(B) *REPORTING REQUIREMENT.*—Not later
9 than 30 days after the date of receipt of a notice
10 of any application for, or receipt of, a covered
11 payment by a covered person, or a spouse or de-
12 pendent child of a covered person, (including
13 any business owned and controlled by the covered
14 person, spouse, or dependent child), but in no
15 case later than 45 days after the date on which
16 the covered payment is made or promised to be
17 made, the covered person shall submit to the ap-
18 plicable supervising ethics office a report describ-
19 ing the covered payment.

20 “(g) *ENFORCEMENT.*—

21 “(1) *IN GENERAL.*—The applicable supervising
22 ethics office shall provide a written notice (including
23 notice of the potential for civil penalties under para-
24 graph (2)) to any covered person if the covered per-

son, or the spouse or dependent child of the covered person, as applicable—

“(A) fails to divest a covered investment owned by, in the custody of, or held in a qualified blind trust of, the covered person or spouse or dependent child of a covered person, in accordance with subsection (a)(1), subject to any extension under subsection (a)(1)(C)(iii); or

“(B) acquires an interest in a covered investment in violation of this section.

“(2) CIVIL PENALTIES.—

“(A) IN GENERAL.—In the event of continuing noncompliance after issuance of the notice described in paragraph (1), the supervising ethics office shall impose a civil penalty, in the amount described in subparagraph (B), on a covered person to whom a notice is provided under subparagraph (A) or (B) of paragraph (1)—

“(i) on the date that is 30 days after the date of provision of the notice; and

“(ii) during the period in which such noncompliance continues, not less frequently than once every 30 days thereafter.

1 “(B) *AMOUNT.*—*The amount of each civil*
 2 *penalty imposed on a covered person pursuant to*
 3 *subparagraph (A) shall be equal to the greater*
 4 *of—*

5 “(i) *the monthly equivalent of the an-*
 6 *nual rate of pay payable to the covered per-*
 7 *son; and*

8 “(ii) *an amount equal to 10 percent of*
 9 *the value of each covered investment that*
 10 *was not divested in violation of this section*
 11 *during the period covered by the penalty.*

12 “(h) *DUTIES OF SUPERVISING ETHICS OFFICES.*—
 13 *Each supervising ethics office shall—*

14 “(1) *impose and collect civil penalties in accord-*
 15 *ance with subsection (g);*

16 “(2) *establish such procedures and standard*
 17 *forms as the supervising ethics office determines to be*
 18 *appropriate to implement this section;*

19 “(3) *issue such rules and guidelines as the super-*
 20 *vising ethics office determines to be appropriate for*
 21 *the implementation and application of this title; and*

22 “(4) *publish on a website all documents and*
 23 *communications described in this subsection.*

24 “(i) *RULE OF CONSTRUCTION.*—*Nothing in this sec-*
 25 *tion shall be construed to prevent a covered person, or a*

1 spouse or dependent child of a covered person, from owning
2 or trading—

3 “(1) a diversified mutual fund; or

4 “(2) a publicly traded, diversified exchange trad-
5 ed fund.

6 “(j) *EFFECTIVE DATE*.—Except as provided in sub-
7 section (c)(1), this section shall apply on and after March
8 31, 2027.”.

9 (b) *CLERICAL AMENDMENT*.—The table of sections for
10 chapter 131 of title 5, United States Code, is amended by
11 adding at the end the following:

“SUBCHAPTER IV—CERTAIN ASSETS OF MEMBERS OF CONGRESS, THE PRESI-
DENT, THE VICE PRESIDENT, AND THEIR SPOUSES AND DEPENDENT CHIL-
DREN

“13161. Definitions.

“13162. Trading covered investments

“13163. Addressing owned covered investments”.

12 (c) *TECHNICAL AND CONFORMING AMENDMENTS*.—

13 (1) *TITLE 5*.—Title 5, United States Code, is
14 amended—

15 (A) in section 13103(f)—

16 (i) in paragraph (9), by striking “as
17 defined in section 13101 of this title”;

18 (ii) in paragraph (10), by striking “as
19 defined in section 13101 of this title”;

20 (iii) in paragraph (11), by striking
21 “as defined in section 13101 of this title”;

22 and

1 *(iv) in paragraph (12), by striking “as*
 2 *defined in section 13101 of this title”; and*
 3 *(B) in section 13122(f)(2)(B)—*

4 *(i) by striking “Subject to clause (iv)*
 5 *of this subparagraph, before” each place it*
 6 *appears and inserting “Before”; and*

7 *(ii) by striking clause (iv).*

8 (2) *LOBBYING DISCLOSURE ACT OF 1995.—Sec-*
 9 *tion 3(4)(D) of the Lobbying Disclosure Act of 1995*
 10 *(2 U.S.C. 1602(4)(D)) is amended by striking “legis-*
 11 *lative branch employee serving in a position described*
 12 *under section 13101(13) of title 5, United States*
 13 *Code” and inserting “officer or employee of Congress*
 14 *(as defined in section 13101 of title 5, United States*
 15 *Code)”.*

16 (3) *SECURITIES EXCHANGE ACT OF 1934.—Sec-*
 17 *tion 21A of the Securities Exchange Act of 1934 (15*
 18 *U.S.C. 78u–1) is amended—*

19 *(A) in subsection (g)(2)(B)(ii), by striking*
 20 *“section 13101(11)” and inserting “section*
 21 *13101”; and*

22 *(B) in subsection (h)(2)—*

23 *(i) in subparagraph (B), by striking*
 24 *“in section 13101(9)” and inserting “under*
 25 *section 13101”; and*

1 (ii) in subparagraph (C), by striking
 2 “section 13101(10)” and inserting “section
 3 13101”.

4 **SEC. 3. PENALTY FOR STOCK ACT NONCOMPLIANCE.**

5 (a) *FINES FOR FAILURE TO REPORT.*—

6 (1) *IN GENERAL.*—*The STOCK Act (Public Law*
 7 *112–105; 126 Stat. 291) is amended by adding at the*
 8 *end the following:*

9 **“SEC. 20. FINES FOR FAILURE TO REPORT.**

10 “(a) *IN GENERAL.*—*Notwithstanding any other provi-*
 11 *sion of law (including regulations), a reporting individual*
 12 *shall be assessed a fine, pursuant to regulations issued by*
 13 *the applicable supervising ethics office (including the Ad-*
 14 *ministrative Office of the United States Courts, as applica-*
 15 *ble), of \$500 in each case in which the reporting individual*
 16 *fails to file a transaction report required under this Act*
 17 *or an amendment made by this Act.*

18 “(b) *DEPOSIT IN TREASURY.*—*The fines paid under*
 19 *this section shall be deposited in the miscellaneous receipts*
 20 *of the Treasury.”.*

21 (2) *EFFECTIVE DATE.*—*The amendment made by*
 22 *paragraph (1) shall apply on and after March 31,*
 23 *2027.*

24 (b) *RULES, REGULATIONS, GUIDANCE, AND DOCU-*
 25 *MENTS.*—*Not later than 1 year after the date of enactment*

1 *of this Act, each supervising ethics office (as defined in sec-*
 2 *tion 13101 of title 5, United States Code) (including the*
 3 *Administrative Office of the United States Courts, as appli-*
 4 *cable) shall amend the rules, regulations, guidance, docu-*
 5 *ments, papers, and other records of the supervising ethics*
 6 *office in accordance with the amendment made by this sec-*
 7 *tion.*

8 **SEC. 4. ELECTRONIC FILING AND ONLINE PUBLIC AVAIL-**
 9 **ABILITY OF FINANCIAL DISCLOSURE FORMS.**

10 (a) *MEMBERS OF CONGRESS AND CONGRESSIONAL*
 11 *STAFF.*—Section 8(b)(1) of the STOCK Act (5 U.S.C. 13107
 12 *note) is amended—*

13 (1) *in the matter preceding subparagraph (A),*
 14 *by inserting “, pursuant to subchapter I of chapter*
 15 *131 of title 5, United States Code, through databases*
 16 *maintained on the official websites of the House of*
 17 *Representatives and the Senate” after “enable”; and*

18 (2) *by striking subparagraph (B) and the undes-*
 19 *ignated matter following that subparagraph and in-*
 20 *serting the following:*

21 “(B) public access—

22 “(i) to each—

23 “(I) financial disclosure report
 24 filed by a Member of Congress or a
 25 candidate for Congress;

1 “(II) transaction disclosure report
2 filed by a Member of Congress or a
3 candidate for Congress pursuant to
4 subsection (l) of that section; and

5 “(III) notice of extension, amend-
6 ment, or blind trust, with respect to a
7 report described in subclause (I) or
8 (II), pursuant to subchapter I of chap-
9 ter 131 of title 5, United States Code;
10 and

11 “(ii) in a manner that—

12 “(I) allows the public to search,
13 sort, and download data contained in
14 the reports described in subclause (I)
15 or (II) of clause (i) by criteria required
16 to be reported, including by filer name,
17 asset, transaction type, ticker symbol,
18 notification date, amount of trans-
19 action, and date of transaction;

20 “(II) allows access through an ap-
21 plication programming interface; and

22 “(III) is fully compliant with—

23 “(aa) section 508 of the Re-
24 habilitation Act of 1973 (29
25 U.S.C. 794d); and

1 “(bb) *the most recent Web*
2 *Content Accessibility Guidelines*
3 *(or successor guidelines).*”.

4 (b) *EFFECTIVE DATE.*—*The amendments made by this*
5 *section shall take effect on the date that is 18 months after*
6 *the date of enactment of this Act.*

7 ***SEC. 5. SEVERABILITY.***

8 *If any provision of this Act, an amendment made by*
9 *this Act, or the application of such provision or amendment*
10 *to any person or circumstance is held to be unconstitu-*
11 *tional, the remainder of this Act and of the amendments*
12 *made by this Act, and the application of the remaining pro-*
13 *visions of this Act and amendments to any person or cir-*
14 *cumstance, shall not be affected.*

Calendar No. 729

118TH CONGRESS
2D Session

S. 1171

[Report No. 118-309]

A BILL

To amend chapter 131 of title 5, United States Code, to prevent Members of Congress and their spouses and dependent children from trading stocks and owning stocks, and for other purposes.

DECEMBER 19 (legislative day, DECEMBER 16), 2024

Reported with an amendment