

117TH CONGRESS
2D SESSION

H. R. 6844

To prohibit Federal officials from owning covered investments, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2022

Mr. KIM of New Jersey introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Financial Services, Agriculture, Oversight and Reform, House Administration, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To prohibit Federal officials from owning covered investments, 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 “Restoring Trust in
5 Public Servants Act”.

6 **SEC. 2. OWNERSHIP OF COVERED INVESTMENTS.**

7 (a) OWNERSHIP OF COVERED INVESTMENTS.—

1 (1) CONDUCT DURING FEDERAL SERVICE.—~~Ex-~~
2 cept as described in paragraph (2), no covered offi-
3 cial or family member of a Member of Congress may
4 own or trade any covered investment.

5 (2) COMPLIANCE.—

6 (A) IN GENERAL.—~~Except~~ as provided in
7 subparagraph (B), to comply with the require-
8 ments under paragraph (1), a covered official or
9 family member of a Member of Congress shall
10 divest of any covered investment prior to the
11 expiration of the applicable compliance period.

12 (B) APPLICABLE COMPLIANCE PERIOD.—
13 In this subsection, the term “applicable compli-
14 ance period” means—

15 (i) with respect to a covered invest-
16 ment held by a covered official or family
17 member of a Member of Congress on the
18 date of the enactment of this Act, the 90-
19 day period which begins on the date of the
20 enactment of this Act;

21 (ii) with respect to a covered invest-
22 ment held by an individual on the date on
23 which the individual becomes a covered of-
24 ficial or becomes a family member of a
25 Member of Congress after the date of the

1 enactment of this Act, the 90-day period
2 which begins on the date on which the in-
3 dividual becomes a covered official or be-
4 comes a family member of a Member of
5 Congress; and

6 (iii) with respect to a covered invest-
7 ment which is first held by a covered offi-
8 cial or a family member of a Member of
9 Congress after the last day of either of the
10 periods described in clauses (i) or (ii), the
11 90-day period which begins on the date on
12 which such investment was first held by
13 such official or family member.

14 (b) PENALTIES.—

15 (1) IN GENERAL.—Except as provided in para-
16 graph (2), a covered official in violation of this sec-
17 tion, as determined by the supervising ethics office,
18 shall pay a penalty in an amount equal to the fee
19 set forth under section 104(d)(1) of the Ethics in
20 Government Act of 1978 (5 U.S.C. App. 104(d)(1))
21 for each such violation.

22 (2) EXCEPTION.—

23 (A) PENALTY.—An individual described in
24 subparagraph (C) who during any month is in
25 violation of this section with respect to a cov-

1 ered investment, as determined by the super-
2 vising ethics office, shall pay a penalty in an
3 amount equal to—

4 (i) in the case of an individual who is
5 a covered official, the salary of such official
6 for that month; or

7 (ii) in the case of an individual who is
8 a family member of a Member of Congress,
9 the salary of the Member of Congress for
10 that month.

11 (B) AMOUNT DETERMINED WITHOUT RE-
12 GARD TO NUMBER OF VIOLATIONS.—The
13 amount of the penalty imposed under subpara-
14 graph (A) shall apply to an individual without
15 regard to the number of covered investments
16 with respect to which the individual is in viola-
17 tion during the month in which the penalty is
18 imposed.

19 (C) INDIVIDUALS DESCRIBED.—The indi-
20 viduals described in this paragraph are the fol-
21 lowing:

22 (i) A Member of Congress or a family
23 member of a Member of Congress.

24 (ii) The President.

25 (iii) The Vice-President.

1 (iv) A political appointee who was ap-
2 pointed to such position by the President,
3 by and with the advice and consent of the
4 Senate.

5 (v) A judicial officer.

6 (c) PUBLICATION.—For each individual in violation
7 of this section as determined by the supervising ethics of-
8 fice, such office shall make available a list, on a publicly
9 accessible website of such office, detailing the names, occu-
10 pation, and office of employment for each such individual,
11 or in the case of a family member of a Member of Con-
12 gress, the name of such family member and of such Mem-
13 ber of Congress.

14 (d) APPLICATION OF CERTIFICATE OF DIVESTITURE
15 PROGRAM.—For purposes of section 1043 of the Internal
16 Revenue Code of 1986—

17 (1) any person required to dispose of any prop-
18 erty by reason of this section shall be treated as an
19 eligible person;

20 (2) this section shall be treated as a Federal
21 conflict of interest statute; and

22 (3) in the case of an individual described in
23 subsection (e)(2)(A), the requirement of section
24 1043(b)(2)(B) of such Code shall be treated as sat-
25 isfied with respect to any written determination if

1 such determination is issued by the supervising eth-
2 ics office.

3 (e) DEFINITIONS.—In this section:

4 (1) COVERED INVESTMENT.—

5 (A) IN GENERAL.—The term “covered in-
6 vestment” means—

7 (i) an investment in a security, a com-
8 modity, or a future; and

9 (ii) any economic interest comparable
10 to an interest described in clause (i) that
11 is acquired through synthetic means, such
12 as the use of a derivative, including an op-
13 tion, warrant, or other, similar means.

14 (B) INCLUSIONS.—The term “covered in-
15 vestment” includes an investment or economic
16 interest described in subparagraph (A) that is
17 held directly, or in which an individual has an
18 indirect, beneficial, or economic interest,
19 through—

20 (i) an investment fund;

21 (ii) a trust;

22 (iii) an employee benefit plan; or

23 (iv) a deferred compensation plan, in-
24 cluding a carried interest or other agree-

1 ment tied to the performance of an invest-
2 ment, other than a fixed cash payment.

3 (C) EXCLUSIONS.—The term “covered in-
4 vestment” does not include—

5 (i) a diversified mutual fund (includ-
6 ing any holdings of such a fund);

7 (ii) a diversified exchange-traded fund
8 (including any holdings of such a fund);

9 (iii) a United States Treasury bill,
10 note, or bond;

11 (iv) compensation from the primary
12 occupation of a spouse or dependent of a
13 Member of Congress; or

14 (v) any investment fund held in a
15 Federal, State, or local government em-
16 ployee retirement plan.

17 (D) CLARIFICATION.—An investment that
18 achieves compliance with applicable environ-
19 mental, social, and governance criteria shall not
20 be considered to be a covered investment solely
21 by reason of that compliance.

22 (2) COVERED OFFICIAL.—The term “covered
23 official” means the following:

24 (A) In the legislative branch, a Member of
25 Congress and each of the following (other than

1 an employee who is considered an intern or a
2 fellow for purposes of any law or regulation es-
3 tablishing a limit on the number of employees
4 of an office of the House of Representatives or
5 Senate):

6 (i) An employee of a Member of the
7 House of Representatives (as described in
8 section 207(e)(9)(E) of title 18, United
9 States Code).

10 (ii) An employee of a Senator (as de-
11 scribed in section 207(e)(9)(F) of title 18,
12 United States Code).

13 (iii) An employee of a committee of
14 Congress (as defined in section
15 207(e)(9)(A) of title 18, United States
16 Code).

17 (iv) An employee on the leadership
18 staff of the House of Representatives (as
19 defined in section 207(e)(9)(H) of title 18,
20 United States Code).

21 (v) An employee on the leadership
22 staff of the Senate (as defined in section
23 207(e)(9)(I) of title 18, United States
24 Code).

25 (B) In the executive branch—

- 1 (i) the President;
2 (ii) the Vice-President;
3 (iii) a political appointee; or
4 (iv) any officer or employee of the ex-
5 ecutive branch who is—

- 6 (I) not a political appointee; and
7 (II) occupies a position described
8 under paragraphs (3) through (8) of
9 section 101(f) of the Ethics in Gov-
10 ernment Act of 1978. (5 U.S.C. App.
11 101).

12 (C) A judicial officer.

13 (3) EXECUTIVE BRANCH.—The term “executive
14 branch” has the meaning given such term defined in
15 section 109 of the Ethics in Government Act of
16 1978 (5 U.S.C. App. 109).

17 (4) FAMILY MEMBER.—The term “family mem-
18 ber” means a spouse or a dependent child as defined
19 in section 109 of the Ethics in Government Act of
20 1978 (5 U.S.C. App. 109).

21 (5) JUDICIAL OFFICER.—The term “judicial of-
22 ficer”—

23 (A) has the meaning given such term in
24 section 109 of the Ethics in Government Act of
25 1978 (5 U.S.C. App. 109); and

1 (B) includes bankruptcy judges and mag-
2istrate judges.

3 (6) MEMBER OF CONGRESS.—The term “Mem-
4ber of Congress” has the meaning given such term
5defined in section 109 of the Ethics in Government
6Act of 1978 (5 U.S.C. App. 109).

7 (7) POLITICAL APPOINTEE.—The term “polit-
8ical appointee” means any individual occupying a
9position in the executive branch of Government—

10 (A) who was appointed to such position by
11the President, by and with the advice and con-
12sent of the Senate;

13 (B) described under sections 5312 through
145316 of title 5, United States Code (relating to
15the Executive Schedule);

16 (C) as a noncareer appointment in the
17Senior Executive Service, as defined under
18paragraph (7) of section 3132(a) of such title;
19or

20 (D) that is of a confidential or policy-de-
21termining character under schedule C of sub-
22part C of part 213 of title 5, Code of Federal
23Regulations, or any other position that is ex-
24cepted from the competitive service because of

1 its confidential policy-determining, policy-mak-
2 ing or policy-advocating character.

3 (8) SUPERVISING ETHICS OFFICE.—The term
4 “supervising ethics office” means any of the fol-
5 lowing:

6 (A) In the case of an individual described
7 in paragraph (2)(A)—

8 (i) the Select Committee on Ethics of
9 the Senate; or

10 (ii) the Committee on Ethics of the
11 House of Representatives.

12 (B) In the case of an individual described
13 in paragraph (2)(B), the Office of Government
14 Ethics.

15 (C) In the case of a judicial officer, the Ju-
16 dicial Conference.

17 **SEC. 3. BAN ON ALL OUTSIDE EARNED INCOME AND ALL**
18 **SERVICE ON BOARDS BY MEMBERS OF CON-**
19 **GRESS.**

20 (a) OUTSIDE EARNED INCOME.—

21 (1) IN GENERAL.—Section 501(a)(1) of the
22 Ethics in Government Act of 1978 (5 U.S.C. App.
23 501(a)(1)) is amended by striking “outside earned
24 income attributable to such calendar year which ex-
25 ceeds 15 percent” and inserting “any outside earned

1 income attributable to such calendar year, except
2 that such an officer or employee may have outside
3 earned income attributable to such calendar year
4 which does not exceed 15 percent”.

5 (2) INDIVIDUALS BECOMING MEMBERS DURING
6 CALENDAR YEAR.—Section 501(a)(2) of such Act (5
7 U.S.C. App. 501(a)(2)) is amended—

8 (A) by striking “outside earned income at-
9 tributable to the portion of that calendar year
10 which occurs after such individual becomes a
11 Member or such an officer or employee which
12 exceeds 15 percent” and inserting “any outside
13 earned income attributable to the portion of
14 that calendar year which occurs after such indi-
15 vidual becomes a Member or such an officer or
16 employee, except that such an officer or em-
17 ployee may have outside earned income attrib-
18 utable to such portion of that calendar year
19 which does not exceed 15 percent”; and

20 (B) by striking “such individual is a Mem-
21 ber or such officer or employee” and inserting
22 “such individual is such an officer or em-
23 ployee”.

24 (3) PRESERVING AUTHORITY OF OFFICERS AND
25 EMPLOYEES OF CONGRESS TO EARN COMPENSATION

1 FROM PRACTICING MEDICINE.—Section 502(a) of
2 such Act (5 U.S.C. App. 502(a)) is amended by
3 striking “fiduciary relationship” each place it ap-
4 pears in paragraphs (1) and (3) and inserting “fidu-
5 ciary relationship, except that such an officer or em-
6 ployee of the House of Representatives or Senate
7 may receive such compensation if the fiduciary rela-
8 tionship involves the practice of medicine”.

9 (4) APPLICATION OF BAN TO INCOME EARNED
10 FROM TEACHING.—Section 502(a)(5) of such Act (5
11 U.S.C. App. 502(a)(5)) is amended by striking
12 “without the prior notification” and inserting “ex-
13 cept that such an officer or employee may receive
14 compensation for teaching with the prior notifica-
15 tion”.

16 (5) DEFINITION.—Section 505 of such Act (5
17 U.S.C. App. 505) is amended by adding at the end
18 the following:

19 “(6) The term ‘outside earned income’, with re-
20 spect to a Member of Congress, has the meaning
21 given such term in clause 4(d) of rule XXV of the
22 Rules of the House of Representatives for the One
23 Hundred Seventeenth Congress, except that para-
24 graph (d)(1)(D) of such clause shall not apply. Such
25 term shall apply with respect to a Senator in the

1 same manner as such term applies to a Member of
2 the House of Representatives under such clause.”.

3 (b) SERVICE ON BOARDS.—Section 502(a)(4) of such
4 Act (5 U.S.C. App. 502(a)(4)) is amended to read as fol-
5 lows:

6 “(4) serve as an officer or member of the board
7 of any association, corporation, or other entity, ex-
8 cept that—

9 “(A) a Member and such an officer or em-
10 ployee may serve without compensation as an
11 officer or member of the board of any nonprofit
12 association, nonprofit corporation, or other non-
13 profit entity, and

14 “(B) such an officer or employee may
15 serve without compensation as an officer or
16 member of any other association, corporation or
17 other entity; or”.

18 **SEC. 4. LIFETIME LOBBYING BAN.**

19 (a) IN GENERAL.—Section 207(e) of title 18, United
20 States Code, is amended as follows:

21 (1) Paragraph (1) is amended to read as fol-
22 lows:

23 “(1) MEMBERS OF CONGRESS.—

24 “(A) IN GENERAL.—Any person who is a
25 Senator or a Member of the House of Rep-

1 representatives and who, after that person leaves
2 office, knowingly makes any lobbying contacts
3 to, or engages in lobbying activities with, a cov-
4 ered executive branch official, or to any Mem-
5 ber, officer, or employee of either House of
6 Congress, shall be punished as provided in sec-
7 tion 216 of this title.

8 “(B) DEFINITIONS.—In this paragraph:

9 “(i) The terms ‘lobbying activities’,
10 and ‘covered executive branch official’ have
11 the meanings given those terms in section
12 3 of the Lobbying Disclosure Act of 1995
13 (2 U.S.C. 1602).

14 “(ii) The term ‘lobbying contact’ has
15 the meaning given such term in section
16 3(8) of the Lobbying Disclosure Act of
17 1995 (2 U.S.C. 1602(8)) except that sub-
18 paragraph (B)(iv) of such paragraph shall
19 not apply.”.

20 (2) Paragraph (2) is amended—

21 (A) by striking “(2) Any person” and in-
22 serting the following:

23 “(2) OFFICERS AND CERTAIN STAFF.—

24 “(A) OFFICERS AND STAFF OF THE SEN-
25 ATE.—Any person”; and

1 (B) by adding at the end the following:

2 “(B) OFFICERS OF THE HOUSE OF REP-
3 REPRESENTATIVES.—

4 “(i) Any person who is an elected offi-
5 cer of the House of Representatives and
6 who, within 1 year after that person leaves
7 office, knowingly makes, with the intent to
8 influence, any communication to or appear-
9 ance before any of the persons described in
10 clause (ii), on behalf of any other person
11 (except the United States) in connection
12 with any matter on which such elected offi-
13 cer seeks action by a Member, officer, or
14 employee of either House of Congress, in
15 his or her official capacity, shall be pun-
16 ished as provided in section 216 of this
17 title.

18 “(ii) The persons referred to in clause
19 (i) with respect to appearances or commu-
20 nications by a former elected officer are
21 any Member, officer, or employee of the
22 House of Representatives.”.

23 (b) RESTRICTIONS RELATING TO FOREIGN ENTI-
24 TIES.—Section 207(f) of title 18, United States Code, is
25 amended—

1 (1) in paragraph (1), by striking “Any person”
2 and inserting “Except as provided in paragraph (2),
3 any person”;

4 (2) by redesignating paragraphs (2) and (3) as
5 paragraphs (3) and (4), respectively;

6 (3) by adding after paragraph (1) the following
7 new paragraph:

8 “(2) MEMBER OF CONGRESS.—With respect to
9 the restrictions under paragraph (1), any person
10 who is a Member of Congress may not engage in any
11 of the activities under such paragraph at any time
12 after leaving office.”; and

13 (4) in paragraph (4), as redesignated by para-
14 graph (2)—

15 (A) by striking “means” and inserting
16 “means—”;

17 (B) by striking “the government” and in-
18 serting “(A) the government”;

19 (C) by striking the period and inserting “;
20 or”;

21 (D) by adding at the end the following:

22 “(B) in the case of a Member of Congress, any
23 foreign principal as defined in section 1(b) of the
24 Foreign Agents Registration Act of 1938, as amend-
25 ed (22 U.S.C. 611(b)).”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall apply to individuals who leave office
3 or employment to which such amendments apply on or
4 after the date of commencement of the first session of the
5 One Hundred Eighteenth Congress sine die or January
6 3, 2023, whichever date is earlier.

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