

118TH CONGRESS
1ST SESSION

S. 2463

To amend chapter 131 of title 5, United States Code, and the STOCK Act to require certain senior officials to report payments received from the Federal Government, to improve the filing and disclosure of financial disclosures, to ban stock ownership for certain senior Government officials, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 25, 2023

Mrs. GILLIBRAND (for herself and Mr. HAWLEY) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To amend chapter 131 of title 5, United States Code, and the STOCK Act to require certain senior officials to report payments received from the Federal Government, to improve the filing and disclosure of financial disclosures, to ban stock ownership for certain senior Government officials, 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 “Ban Stock Trading
5 for Government Officials Act of 2023”.

1 **TITLE I—ELIMINATING EXECU-**
 2 **TIVE BRANCH INSIDER CON-**
 3 **FLICTS OF INTEREST**

4 **SEC. 101. SHORT TITLE.**

5 This title may be cited as the “Eliminating Executive
 6 Branch Insider Conflicts of Interest Act”.

7 **SEC. 102. SENSE OF CONGRESS.**

8 It is the sense of Congress that executive branch offi-
 9 cials should not have a personal financial interest in the
 10 outcome of Government policy decisions.

11 **SEC. 103. BANNING CONFLICTED INTERESTS IN THE EXEC-**
 12 **UTIVE BRANCH.**

13 (a) IN GENERAL.—Chapter 131 of title 5, United
 14 States Code, is amended by adding at the end the fol-
 15 lowing:

16 **“Subchapter IV—Banning Conflicted**
 17 **Interests in the Executive Branch**

18 **“§ 13151. Definitions**

19 “In this subchapter:

20 “(1) ADJACENT INDIVIDUAL.—The term ‘adja-
 21 cent individual’ means—

22 “(A) each officer or employee in the execu-
 23 tive branch holding a Senior Executive Service
 24 position, as defined under section 3132(a)(2) of
 25 title 5;

1 “(B) each member of a uniformed service
2 whose pay grade is at or in excess of O–7 under
3 section 201 of title 37;

4 “(C) each officer or employee in any other
5 position determined by the Special Counsel of
6 the United States, in consultation with the Di-
7 rector of the Office of Government Ethics, to be
8 of equal classification to a position described in
9 subparagraph (A) or (B); or

10 “(D) the spouse or dependent child of any
11 individual described in subparagraph (A), (B),
12 or (C).

13 “(2) COVERED FINANCIAL INTEREST.—

14 “(A) IN GENERAL.—The term ‘covered fi-
15 nancial interest’ means—

16 “(i) any investment in—

17 “(I) a security (as defined in sec-
18 tion 3(a) of Securities Exchange Act
19 of 1934 (15 U.S.C. 78c(a)));

20 “(II) a security future (as de-
21 fined in that section); or

22 “(III) a commodity (as defined in
23 section 1a of the Commodity Ex-
24 change Act (7 U.S.C. 1a)); or

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

7 “(B) EXCLUSIONS.—The term ‘covered fi-
8 nancial interest’ does not include—

9 “(i) a diversified mutual fund;

10 “(ii) a diversified exchange-traded
11 fund;

12 “(iii) a United States Treasury bill,
13 note, or bond;

14 “(iv) compensation from the primary
15 occupation of a covered individual or adja-
16 cent individual; or

17 “(v) any financial interest exempted
18 under paragraph (1) or (2) of section
19 208(b) of title 18.

20 “(3) COVERED INDIVIDUAL.—The term ‘cov-
21 ered individual’ means—

22 “(A) the President;

23 “(B) the Vice President; or

1 “(C) the spouse or dependent child of any
2 individual described in subparagraph (A) or
3 (B).

4 “(4) DEPENDENT CHILD.—The term dependent
5 child has the meaning given the term in section
6 13101.

7 **“§ 13152. Prohibition on certain transactions and**
8 **holdings involving covered financial in-**
9 **terests**

10 “(a) PROHIBITION.—Except as provided in sub-
11 section (b), a covered individual or an adjacent individual
12 may not, during the term of service of the covered indi-
13 vidual or adjacent individual, or during the 180-day period
14 beginning on the date on which the service of such covered
15 individual or adjacent individual is terminated, hold, pur-
16 chase, sell, or conduct any type of transaction with respect
17 to a covered financial interest.

18 “(b) EXCEPTIONS.—The prohibition under sub-
19 section (a) shall not apply to a sale by a covered individual
20 or an adjacent individual that is completed by the date
21 that is—

22 “(1) for a covered individual or an adjacent in-
23 dividual serving on the date of enactment of this sec-
24 tion, 180 days after the date of enactment; and

1 “(2) for a covered individual or an adjacent in-
2 dividual who commences service as a covered indi-
3 vidual after the date of enactment of this section,
4 180 days after the first date of the term of service.

5 “(c) ADJACENT INDIVIDUALS.—With respect to adja-
6 cent individuals—

7 “(1) this section shall be supplementary in na-
8 ture to section 208 of title 18; and

9 “(2) nothing in this section shall be construed
10 to limit the application of section 208 of title 18.

11 “(d) PENALTIES.—

12 “(1) DISGORGEMENT.—A covered individual or
13 adjacent individual shall disgorge to the Treasury of
14 the United States any profit from a transaction or
15 holding involving a covered financial interest that is
16 conducted in violation of this section.

17 “(2) FINES.—A covered individual or an adja-
18 cent individual who holds, purchases, sells, or con-
19 ducts a transaction involving a covered financial in-
20 terest in violation of this section—

21 “(A) shall be assessed a fine by the Office
22 of the Special Counsel, in consultation with the
23 Director of the Office of Government Ethics, of
24 not more than \$10,000 or the amount of com-
25 pensation, if any, that the covered individual or

1 adjacent individual received for the prohibited
 2 conduct, whichever is greater; and

3 “(B) may be referred to the Department of
 4 Justice and assessed a civil fine pursuant to
 5 section 13153 if the Office of the Special Coun-
 6 sel, in consultation with the Director of the Of-
 7 fice of Government Ethics, find such case com-
 8 paratively substantial in monetary value or ex-
 9 traordinary in nature.

10 **“§ 13153. Civil penalties**

11 “(a) CIVIL ACTION.—The Attorney General may
 12 bring a civil action in any appropriate United States dis-
 13 trict court against any covered individual or adjacent indi-
 14 vidual who violates any provision of section 13152.

15 “(b) CIVIL PENALTY.—The court in which any action
 16 is brought under subsection (a) may assess against a cov-
 17 ered individual or an adjacent individual a civil penalty
 18 of not more than the amount recommended by the Attor-
 19 ney General.”.

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

“SUBCHAPTER IV—BANNING CONFLICTED INTERESTS IN THE EXECUTIVE
 BRANCH

“13151. Definitions.

“13152. Prohibition on certain transactions and holdings involving covered fi-
 nancial interests.

“13153. Civil penalties.”.

1 **TITLE II—STOCK ACT 2.0**

2 **SEC. 201. SHORT TITLE.**

3 This title may be cited as the “STOCK Act 2.0”.

4 **SEC. 202. REPORTING OF APPLICATIONS FOR, OR RECEIPT**
5 **OF, PAYMENTS FROM FEDERAL GOVERN-**
6 **MENT.**

7 (a) IN GENERAL.—Section 13103 of title 5, United
8 States Code, is amended by adding at the end the fol-
9 lowing:

10 “(i) REPORTING OF APPLICATIONS FOR, OR RECEIPT
11 OF, PAYMENTS FROM FEDERAL GOVERNMENT.—

12 “(1) DEFINITIONS.—In this subsection:

13 “(A) COVERED PAYMENT.—

14 “(i) IN GENERAL.—The term ‘covered
15 payment’ means a payment of money or
16 any other item of value made, or promised
17 to be made, by the Federal Government.

18 “(ii) INCLUSIONS.—The term ‘covered
19 payment’ includes—

20 “(I) a loan agreement, contract,
21 or grant made, or promised to be
22 made, by the Federal Government;
23 and

24 “(II) such other types of pay-
25 ment of money or items of value as

1 the Secretary of the Treasury, in con-
2 sultation with the Director of the Of-
3 fice of Government Ethics, may estab-
4 lish, by regulation.

5 “(iii) EXCLUSIONS.—The term ‘cov-
6 ered payment’ does not include—

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

12 “(II) any tax refund (including a
13 refundable tax credit).

14 “(B) COVERED PERSON.—The term ‘cov-
15 ered person’ means a person described in any of
16 paragraphs (1) through (10) of section
17 13105(1).

18 “(2) REPORTING REQUIREMENT.—Not later
19 than 30 days after the date of receipt of a notice of
20 any application for, or receipt of, a covered payment
21 by a covered person, the spouse of the covered per-
22 son, or a dependent child of the covered person (in-
23 cluding any business owned and controlled by the
24 covered person or spouse or dependent child of the
25 covered person), but in no case later than 45 days

1 after the date on which the covered payment is made
2 or promised to be made, the covered person shall
3 submit to the applicable supervising ethics office a
4 report describing the covered payment.

5 “(3) FINE FOR FAILURE TO REPORT.—Not-
6 withstanding section 13106(d), a covered person
7 shall be assessed a fine, pursuant to regulations
8 issued by the applicable supervising ethics office, of
9 \$500 in each case in which the covered person fails
10 to file a report required under this subsection.”.

11 (b) REPORT CONTENTS.—Section 13104 of title 5,
12 United States Code, is amended by adding at the end the
13 following:

14 “(j) PAYMENTS FROM FEDERAL GOVERNMENT.—
15 Each report filed pursuant to subsection (i) of section
16 13103 shall include—

17 “(1) an identification of each type of payment
18 or item of value applied for, or received, from the
19 Federal Government;

20 “(2)(A) the name of each recipient of each pay-
21 ment or item of value identified under paragraph
22 (1); and

23 “(B) the relationship of each recipient named
24 under subparagraph (A) to the person filing the re-
25 port;

1 “(3) a description of the date on which, as ap-
2 plicable—

3 “(A) an application for a payment or other
4 item of value was submitted to the Federal
5 Government; and

6 “(B) the payment or item of value was re-
7 ceived from the Federal Government; and

8 “(4) a description of the amount of each appli-
9 cable payment or item of value.”.

10 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

11 (1) PERSONS REQUIRED TO FILE.—Section
12 13103(f) of title 5, United States Code, is amend-
13 ed—

14 (A) in paragraph (9), by striking “as de-
15 fined in section 13101”;

16 (B) in paragraph (10), by striking “as de-
17 fined in section 13101”;

18 (C) in paragraph (11), by striking “as de-
19 fined in section 13101”; and

20 (D) in paragraph (12), by striking “as de-
21 fined in section 13101”.

22 (2) CONTENTS OF REPORTS.—Section 13104(a)
23 of title 5, United States Code, is amended in the
24 matter preceding paragraph (1), by striking “section

1 13103(d) and (e)” and inserting “subsection (d) or
2 (e) of section 13103”.

3 (d) **EFFECTIVE DATE.**—The amendments made by
4 this section shall apply to relevant applications submitted
5 to, and payments made or promised to be made by, the
6 Federal Government on or after the date that is 90 days
7 after the date of enactment of this Act.

8 **SEC. 203. PENALTY FOR STOCK ACT NONCOMPLIANCE.**

9 (a) **IN GENERAL.**—The **STOCK Act** (Public Law
10 112–105; 126 Stat. 291; 126 Stat. 1310; 127 Stat. 438;
11 132 Stat. 4167) is amended by adding at the end the fol-
12 lowing:

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

14 “(a) **IN GENERAL.**—Notwithstanding any other pro-
15 vision of law (including regulations), an individual shall
16 be assessed a fine, pursuant to regulations issued by the
17 applicable supervising ethics office (including the Adminis-
18 trative Office of the United States Courts, as applicable),
19 of \$500 in each case in which the individual fails to file
20 a transaction report required under this Act.

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

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

1 ment of this Act, each supervising ethics office (as defined
 2 in section 2 of the STOCK Act (5 U.S.C. 13101 note))
 3 (including the Administrative Office of the United States
 4 Courts, as applicable) shall amend the rules, regulations,
 5 guidance, documents, papers, and other records of the su-
 6 pervising ethics office in accordance with the amendment
 7 made by this section.

8 **SEC. 204. BANNING CONFLICTED INTERESTS IN CONGRESS.**

9 (a) IN GENERAL.—

10 (1) BANNING CONFLICTED TRADES.—Chapter
 11 131 of title 5, United States Code, as amended by
 12 section 103 of this Act, is amended by adding at the
 13 end the following:

14 **“Subchapter V—Banning Conflicted Trades**
 15 **in Congress**

16 **“SEC. 13161. DEFINITIONS.**

17 “In this subchapter:

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 FINANCIAL INTEREST.—

22 “(A) IN GENERAL.—The term ‘covered fi-
 23 nancial interest’ means—

24 “(i) any investment in—

1 “(I) a security (as defined in sec-
2 tion 3(a) of Securities Exchange Act
3 of 1934 (15 U.S.C. 78e(a)));

4 “(II) a security future (as de-
5 fined in that section); or

6 “(III) a commodity (as defined in
7 section 1a of the Commodity Ex-
8 change Act (7 U.S.C. 1a)); or

9 “(ii) any economic interest com-
10 parable to an interest described in clause
11 (i) that is acquired through synthetic
12 means, such as the use of a derivative, in-
13 cluding an option, warrant, or other simi-
14 lar means.

15 “(B) EXCLUSIONS.—The term ‘covered fi-
16 nancial interest’ does not include—

17 “(i) a diversified mutual fund;

18 “(ii) a diversified exchange-traded
19 fund;

20 “(iii) a United States Treasury bill,
21 note, or bond;

22 “(iv) compensation from the primary
23 occupation of a covered individual; or

1 “(v) any financial interest exempted
2 under paragraph (1) or (2) of section
3 208(b) of title 18.

4 “(3) COVERED INDIVIDUAL.—The term ‘cov-
5 ered individual’ means—

6 “(A) a Member of Congress (as defined in
7 section 13101); or

8 “(B) a spouse or dependent child of a
9 Member of Congress.

10 “(4) DEPENDENT CHILD.—The term dependent
11 child has the meaning given the term in section
12 13101.

13 “(5) FUTURE.—The term ‘future’ means a fi-
14 nancial contract obligating a buyer to purchase, or
15 a seller to sell, an asset, such as a physical com-
16 modity or a financial instrument, at a predetermined
17 future date and price.

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

21 “(7) SUPERVISING ETHICS OFFICE.—The term
22 ‘supervising ethics office’, with respect to a covered
23 individual, has the meaning given the term in section
24 13101 with respect to that covered individual.

1 **“SEC. 13162. PROHIBITIONS.**

2 “(a) TRANSACTIONS.—Except as provided in sections
3 13163 and 13164, and during the 180-day period begin-
4 ning on the date on which the service of such covered indi-
5 vidual is terminated, no covered individual may—

6 “(1) hold, purchase, sell, or conduct any type of
7 transaction with respect to a covered financial inter-
8 est; or

9 “(2) enter into a transaction that creates a net
10 short position in any security.

11 “(b) POSITIONS.—A covered individual may not serve
12 as an officer or member of any board of any for-profit
13 association, corporation, or other entity.

14 **“SEC. 13163. DIVESTITURE.**

15 “With respect to any covered financial interest held
16 by a covered individual, the covered individual shall sell
17 the covered financial interest during the 180-day period
18 beginning on the later of—

19 “(1) the date on which the covered individual
20 assumes office or employment as a covered indi-
21 vidual; and

22 “(2) the date of enactment of this Act.

23 **“SEC. 13164. ADMINISTRATION AND ENFORCEMENT.**

24 “(a) ADMINISTRATION.—Each supervising ethics of-
25 fice may issue guidance relating to any matter covered by
26 this subchapter, including—

1 “(1) whether a covered individual may hold an
2 employee stock option or other, similar instrument
3 that has not vested before the date on which the cov-
4 ered individual assumes office or employment as a
5 covered individual; and

6 “(2) the process and timeline for determining
7 the date on which a covered individual shall no
8 longer serve as an officer or member of any board
9 of any for-profit association, corporation, or other
10 entity.

11 “(b) ENFORCEMENT.—A covered individual who
12 knowingly fails to comply with this subchapter—

13 “(1) shall disgorge to the Treasury of the
14 United States any profit from a transaction or hold-
15 ing involving a covered financial interest that is con-
16 ducted in violation of this subchapter; and

17 “(2) shall be assessed a fine by the supervising
18 ethics office of not less than 10 percent of the value
19 of the covered financial interest that was purchased
20 or sold, or the security in which a net short position
21 was created, in violation of this subchapter, as appli-
22 cable.”.

23 (2) CLERICAL AMENDMENT.—The table of sec-
24 tions for chapter 131 of title 5, United States Code,

1 as amended by section 103 of this Act, is amended
 2 by adding at the end the following:

“SUBCHAPTER V—BANNING CONFLICTED TRADES IN CONGRESS

“13161. Definitions.

“13162. Prohibitions.

“13163. Divestiture.

“13164. Administration and enforcement.”.

3 (b) CONFORMING AMENDMENTS.—

4 (1) AUTHORITY AND FUNCTIONS.—Section
 5 13122(f)(2)(B) of title 5, United States Code, is
 6 amended—

7 (A) by striking “Subject to clause (iv) of
 8 this subparagraph, before” each place it ap-
 9 pears and inserting “Before”; and

10 (B) by striking clause (iv).

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

19 (3) STOCK ACT.—Section 2 of the STOCK Act
 20 (5 U.S.C. 13101 note) is amended—

21 (A) in paragraph (2)(B), by striking
 22 “(11)”;

1 (B) in paragraph (4), by striking “(10)”;

2 (C) in paragraph (5), by striking “(9)”;

3 and

4 (D) in paragraph (6), by striking “(18)”.

5 (4) SECURITIES EXCHANGE ACT OF 1934.—Sec-
6 tion 21A of the Securities Exchange Act of 1934 (15
7 U.S.C. 78u–1) is amended—

8 (A) in subsection (g)(2)(B)(ii), by striking
9 “(11)”;

10 (B) in subsection (h)(2)—

11 (i) in subparagraph (B), by striking
12 “(9)”;

13 (ii) in subparagraph (C), by striking
14 “(10)”.

15 **SEC. 205. ELECTRONIC FILING AND ONLINE PUBLIC AVAIL-**
16 **ABILITY OF FINANCIAL DISCLOSURE FORMS.**

17 (a) MEMBERS OF CONGRESS AND CONGRESSIONAL
18 STAFF.—Section 8(b)(1) of the STOCK Act (5 U.S.C.
19 13107 note) is amended—

20 (1) in the matter preceding subparagraph (A),
21 by inserting “, pursuant to subchapter I of chapter
22 131 of title 5, United States Code, through data-
23 bases maintained on the official websites of the Sen-
24 ate and House of Representatives” after “enable”;

1 (2) in subparagraph (A), by striking “reports
2 received by them pursuant to section 13105(h)(1)(A)
3 of title 5, United States Code, and” and inserting
4 “each report received under section 13105(h)(1)(A)
5 of that subchapter; and”;

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

9 “(B) public access—

10 “(i) to each—

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

14 “(II) transaction disclosure re-
15 port filed by a Member of Congress or
16 a candidate for Congress pursuant to
17 section 13105(l) of that subchapter;
18 and

19 “(III) notice of extension or
20 amendment with respect to a report
21 described in subclause (I) or (II), pur-
22 suant to that subchapter; 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) VERY SENIOR EXECUTIVE BRANCH EMPLOY-
19 EES.—Section 11(b)(1) of the STOCK Act (Public Law
20 112–105; 126 Stat. 299) is amended—

21 (1) in the matter preceding subparagraph (A),
22 by inserting “, pursuant to subchapter I of chapter
23 131 of title 5, United States Code, through data-
24 bases maintained on the official website of the Office
25 of Government Ethics” after “enable”; and

1 (2) by striking subparagraph (B) and the un-
2 designated matter following that subparagraph and
3 inserting the following:

4 “(B) public access—

5 “(i) to each—

6 “(I) financial disclosure report
7 filed by an officer occupying a posi-
8 tion listed in section 5312 or 5313 of
9 title 5, United States Code, having
10 been nominated by the President and
11 confirmed by the Senate to that posi-
12 tion;

13 “(II) transaction disclosure re-
14 port filed by an individual described in
15 subclause (I) pursuant to section
16 13105(l) of title 5, United States
17 Code; and

18 “(III) notice of extension or
19 amendment with respect to a report
20 described in subclause (I) or (II), pur-
21 suant to subchapter I of chapter 131
22 of title 5, 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 (c) APPLICABILITY.—The amendments made by this
19 section shall apply on and after the date that is 18 months
20 after the date of enactment of this Act.

○