

119TH CONGRESS
1ST SESSION

H. R. 4036

To amend title 5, United States Code, to prohibit the short sale of certain financial investments by Members of Congress and their spouses and dependents, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 17, 2025

Mr. KEAN (for himself and Ms. CRAIG) introduced the following bill; which was referred to the Committee on House Administration

A BILL

To amend title 5, United States Code, to prohibit the short sale of certain financial investments by Members of Congress and their spouses and dependents, 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 “No Shorting America
5 Act”.

1 **SEC. 2. PROHIBITION OF CONGRESSIONAL SHORT SELLING**
2 **OF FINANCIAL INVESTMENTS.**

3 Chapter 131 of title 5, United States Code, is amend-
4 ed by adding at the end the following (and by conforming
5 the table of contents for such chapter accordingly):

6 “SUBCHAPTER IV—PROHIBITION ON
7 CONGRESSIONAL SHORT SELLING

8 “§ 13151. **Definitions**

9 “In this subchapter:

10 “(1) COVERED FINANCIAL INSTRUMENT.—The
11 term ‘covered financial instrument’ means—

12 “(A) any investment in—

13 “(i) a security (as defined in section
14 3(a) of the Securities Exchange Act of
15 1934 (15 U.S.C. 78c(a)));

16 “(ii) a security future (as defined in
17 section 3(a) of the Securities Exchange Act
18 of 1934 (15 U.S.C. 78c(a))); or

19 “(iii) a commodity (as defined in sec-
20 tion 1a of the Commodity Exchange Act (7
21 U.S.C. 1a)); and

22 “(B) any economic interest comparable to
23 an interest described in subclause (I) that is ac-
24 quired through synthetic means, such as the
25 use of a derivative, including an option, war-
26 rant, or other similar means.

1 “(2) COVERED INDIVIDUAL.—The term ‘cov-
2 ered individual’ means any of the following:

3 “(A) A Member of Congress.

4 “(B) The spouse of a Member of Congress.

5 “(C) The dependent of a Member of Con-
6 gress.

7 “(3) DEPENDENT.—The term ‘dependent’ has
8 the meaning given that term in section 13101.

9 “(4) MEMBER OF CONGRESS.—The term ‘Mem-
10 ber of Congress’ has the meaning given that term in
11 section 13101.

12 “(5) SHORT SALE.—The term ‘short sale’ has
13 the meaning given that term in section 242.200 of
14 title 17, Code of Federal Regulations (or any suc-
15 cessor regulation).

16 “(6) SUPERVISING ETHICS OFFICE.—The term
17 ‘supervising ethics office’ has the meaning given that
18 term in section 13101.

19 **“§ 13152. Limitation on short sale**

20 “(a) IN GENERAL.—No covered individual may en-
21 gage in a short sale of any covered financial instrument
22 issued by any business entity that is listed on a national
23 stock exchange.

24 “(b) INCOME TAX.—A loss from a short sale involv-
25 ing a covered financial instrument that is conducted in

1 violation of this section may not be deducted from the
2 amount of income tax owed by the covered individual.

3 “(c) PROOF OF COMPLIANCE.—

4 “(1) SUBMISSION.—A Member of Congress
5 shall submit to the supervising ethics office a pledge
6 of compliance with the requirements of this sub-
7 chapter, and shall produce, upon request of the su-
8 pervising ethics office, material or information deter-
9 mined by the supervising ethics committee to be nec-
10 essary to indicate compliance with the provisions of
11 this subchapter.

12 “(2) CERTIFICATE.—The supervising ethics of-
13 fice shall provide each Member of Congress in com-
14 pliance with the provisions of this chapter with a
15 certificate of compliance.

16 “(3) PUBLICATION.—The supervising ethics of-
17 fice shall make available, on a publicly accessible
18 website, all certificates issued under this subsection.

19 **“§ 13153. Enforcement**

20 “(a) REFERRAL.—The supervising ethics office shall
21 refer to the Attorney General the name of any covered
22 individual who such office has reasonable cause to believe
23 has willfully failed to comply with the requirements of sec-
24 tion 13152.

25 “(b) PENALTY.—

1 “(1) IN GENERAL.—The Attorney General may
2 bring a civil action in any appropriate United States
3 district court against any covered individual who
4 knowingly and willfully fails to comply with section
5 13152. The court in which such action is brought
6 may assess against such individual a civil penalty in
7 any amount, not to exceed \$50,000.

8 “(2) LIMITATION.—A covered individual may
9 not pay any penalty resulting from a civil action
10 under paragraph (1) using—

11 “(A) funds from a Members’ Representa-
12 tional Allowance or Senators’ Official Personnel
13 and Office Expense Account (as the case may
14 be); or

15 “(B) funds of any political committee
16 under the Federal Election Campaign Act of
17 1971 (52 U.S.C. 30101 et seq.).”.

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