

# Calendar No. 294

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1498

To amend chapter 131 of title 5, United States Code, to prohibit transactions involving certain financial instruments by Members of Congress.

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## IN THE SENATE OF THE UNITED STATES

APRIL 28, 2025

Mr. HAWLEY (for himself, Mr. MORENO, Mr. OSSOFF, Mr. PETERS, and Mr. MERKLEY) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

DECEMBER 10, 2025

Reported by Mr. PAUL, with an amendment

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

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## A BILL

To amend chapter 131 of title 5, United States Code, to prohibit transactions involving certain financial instruments by Members of Congress.

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 “~~Preventing Elected~~  
5 ~~Leaders from Owning Securities and Investments~~  
6 ~~(PELOSI) Act~~”.

1 **SEC. 2. BANNING INSIDER TRADING IN CONGRESS.**

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

5 **“Subchapter IV—Banning Insider Trading in**  
6 **Congress**

7 **“§ 13161. Definitions**

8 “In this subchapter:

9 “(1) **COVERED FINANCIAL INSTRUMENT.**—

10 “(A) **IN GENERAL.**—The term ‘covered fi-  
11 nancial instrument’ means—

12 “(i) any investment in—

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

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

18 “(III) a commodity (as defined in  
19 section 1a of the Commodity Ex-  
20 change Act (7 U.S.C. 1a)); and

21 “(ii) any economic interest com-  
22 parable to an interest described in clause  
23 (i) that is acquired through synthetic  
24 means, such as the use of a derivative, in-  
25 cluding an option, a warrant, or other  
26 similar means.

1           “(B) EXCLUSIONS.—The term ‘covered fi-  
2           nancial instrument’ does not include—

3                   “(i) a diversified mutual fund;

4                   “(ii) a diversified exchange-traded  
5           fund;

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

8                   “(iv) compensation from the primary  
9           occupation of a spouse or dependent child  
10          of a Member of Congress.

11          “(2) DEPENDENT CHILD; MEMBER OF CON-  
12          GRESS.—The terms ‘dependent child’ and ‘Member  
13          of Congress’ have the meanings given those terms in  
14          section 13101.

15          “(3) SUPERVISING ETHICS COMMITTEE.—The  
16          term ‘supervising ethics committee’ means, as appli-  
17          eable—

18                   “(A) the Select Committee on Ethics of  
19          the Senate; and

20                   “(B) the Committee on Ethics of the  
21          House of Representatives.

1 **“§ 13162. Prohibition on certain transactions and**  
2 **holdings involving covered financial in-**  
3 **struments**

4 “(a) PROHIBITION.—Except as provided in sub-  
5 section (b), a Member of Congress, or any spouse of a  
6 Member of Congress, may not, during the term of service  
7 of the Member of Congress, hold, purchase, or sell any  
8 covered financial instrument.

9 “(b) EXCEPTIONS.—The prohibition under sub-  
10 section (a) shall not apply to a sale by a Member of Con-  
11 gress, or a spouse of a Member of Congress, that is com-  
12 pleted by the date that is—

13 “(1) for a Member of Congress serving on the  
14 date of enactment of the Preventing Elected Leaders  
15 from Owning Securities and Investments (PELOSI)  
16 Act, 180 days after that date of enactment; and

17 “(2) for any Member of Congress who com-  
18 mences service as a Member of Congress after the  
19 date of enactment of the Preventing Elected Leaders  
20 from Owning Securities and Investments (PELOSI)  
21 Act, 180 days after the first date of the initial term  
22 of service.

23 “(c) PENALTIES.—

24 “(1) DISGORGEMENT.—A Member of Congress  
25 shall disgorge to the Treasury of the United States  
26 any profit from a transaction or holding involving a

1 covered financial instrument that is conducted in  
2 violation of this section.

3 “(2) FINES.—A Member of Congress who holds  
4 or conducts a transaction involving, or whose spouse  
5 holds or conducts a transaction involving, a covered  
6 financial instrument in violation of this section may  
7 be subject to a civil fine assessed by the applicable  
8 supervising ethics committee under section 13164.

9 **“§ 13163. Certification of compliance**

10 “(a) IN GENERAL.—Not less frequently than annu-  
11 ally, each Member of Congress shall submit to the applica-  
12 ble supervising ethics committee a written certification  
13 that the Member of Congress has achieved compliance  
14 with the requirements of this subchapter.

15 “(b) PUBLICATION.—The supervising ethics commit-  
16 tees shall publish each certification submitted under sub-  
17 section (a) on a publicly available website.

18 **“§ 13164. Authority of supervising ethics committees**

19 “(a) IN GENERAL.—The supervising ethics commit-  
20 tees may implement and enforce the requirements of this  
21 subchapter, including by—

22 “(1) issuing—

23 “(A) for Members of Congress—

24 “(i) rules governing that implementa-  
25 tion; and

1           “(ii) 1 or more reasonable extensions  
 2           to achieve compliance with this subchapter,  
 3           if the applicable supervising ethics com-  
 4           mittee determines that a Member of Con-  
 5           gress is making a good faith effort to di-  
 6           vest any covered financial instruments; and

7           “(B) guidance relating to covered financial  
 8           instruments;

9           “(2) publishing on the internet certifications  
 10          submitted by Members of Congress under section  
 11          13163(a); and

12          “(3) assessing civil fines against any Member of  
 13          Congress who is in violation of this subchapter, sub-  
 14          ject to subsection (b).

15          “(b) REQUIREMENTS FOR CIVIL FINES.—

16                 “(1) IN GENERAL.—Before imposing a fine pur-  
 17                 suant to this section, the applicable supervising eth-  
 18                 ics committee shall provide to the applicable Member  
 19                 of Congress—

20                         “(A) a written notice describing each cov-  
 21                         ered financial instrument transaction for which  
 22                         a fine will be assessed; and

23                         “(B) an opportunity, with respect to each  
 24                         such covered financial instrument transaction—

25                                 “(i) for a hearing; and

1                   “(ii) to achieve compliance with the  
2                   requirements of this subchapter.

3                   ~~“(2) ENFORCEMENT.—~~

4                   “(A) IN GENERAL.—In the event of con-  
5                   tinuing noncompliance after issuance of the no-  
6                   tice described in paragraph (1), the applicable  
7                   supervising ethics committee shall impose a civil  
8                   penalty, in the amount described in subpara-  
9                   graph (B), on the Member of Congress to whom  
10                  a notice was provided—

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

13                  “(ii) during the period in which such  
14                  noncompliance continues, not less fre-  
15                  quently than once every 30 days thereafter.

16                  “(B) AMOUNT.—The amount of each civil  
17                  penalty imposed on a Member of Congress pur-  
18                  suant to subparagraph (A) shall be an amount  
19                  equal to 10 percent of the value of each covered  
20                  financial instrument that was not divested in  
21                  violation of this subchapter during the period  
22                  covered by the penalty.

23                  “(3) PUBLICATION.—Each supervising ethics  
24                  committee shall publish on a publicly available  
25                  website a description of—

1           “(A) each fine assessed by the supervising  
2 ethics committee pursuant to this section;

3           “(B) the reasons why each such fine was  
4 assessed; and

5           “(C) the result of each assessment, includ-  
6 ing any hearing under paragraph (1)(B)(i) re-  
7 lating to the assessment.

8           “(4) APPEAL.—A Member of Congress may ap-  
9 peal the assessment of a fine under this section to  
10 a vote on the floor of the Senate or the House of  
11 Representatives, as applicable, as a privileged mo-  
12 tion.

13 **“§ 13165. Audit by Government Accountability Office**

14           “Not later than 2 years after the date of enactment  
15 of the Preventing Elected Leaders from Owning Securities  
16 and Investments (PELOSI) Act, the Comptroller General  
17 of the United States shall—

18           “(1) conduct an audit of the compliance by  
19 Members of Congress with the requirements of this  
20 subchapter; and

21           “(2) submit to the supervising ethics commit-  
22 tees a report describing the results of the audit con-  
23 ducted under paragraph (1).”.

24           (b) CONFORMING AMENDMENTS.—

1           (1) TABLE OF SECTIONS.—The table of sections  
2           for chapter 131 of title 5, United States Code, is  
3           amended by adding at the end the following:

“SUBCHAPTER IV—BANNING INSIDER TRADING IN CONGRESS

“13161. Definitions.

“13162. Prohibition on certain transactions and holdings involving covered financial instruments.

“13163. Certification of compliance.

“13164. Authority of supervising ethics committees.

“13165. Audit by Government Accountability Office.”.

4           (2) PERSONS REQUIRED TO FILE.—Section  
5           13103(f) of title 5, United States Code, is amend-  
6           ed—

7                   (A) in paragraph (9), by striking “as de-  
8                   fined in section 13101 of this title”;

9                   (B) in paragraph (10), by striking “as de-  
10                  fined in section 13101 of this title”;

11                  (C) in paragraph (11), by striking “as de-  
12                  fined in section 13101 of this title”; and

13                  (D) in paragraph (12), by striking “as de-  
14                  fined in section 13101 of this title”.

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

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “Halting Ownership and*  
 3 *Non-Ethical Stock Transactions (HONEST) Act”.*

4 **SEC. 2. DIVESTMENT OF CERTAIN ASSETS OF MEMBERS OF**  
 5                   **CONGRESS, THE PRESIDENT, THE VICE**  
 6                   **PRESIDENT, AND THEIR SPOUSES AND DE-**  
 7                   **PENDENT CHILDREN.**

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

10 **“Subchapter IV—Certain Assets of Members of**  
 11 **Congress, the President, the Vice Presi-**  
 12 **dent, and Their Spouses and Dependent**  
 13 **Children**

14 **“§ 13161. Definitions**

15       *“In this subchapter:*

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

19               “(2) *COVERED INVESTMENT.*—

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

22                               “(i) *an investment in—*

23                                       “(I) *a security;*

24                                       “(II) *a commodity;*

25                                       “(III) *a future; or*

26                                       “(IV) *a digital asset;*

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

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

10           “(I) an investment fund or hold-  
11           ing company;

12           “(II) a trust;

13           “(III) an employee benefit plan;

14           or

15           “(IV) a deferred compensation  
16           plan, including a carried interest or  
17           other agreement tied to the perform-  
18           ance of an investment, other than a  
19           fixed cash payment.

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

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

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

4           “(iii) a United States Treasury bill,  
5 note, or bond;

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

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

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

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

4           “(viii) a tax-free State or municipal  
5           bond;

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

16          “(x) holding investment-grade cor-  
17          porate bonds, provided that the corporate  
18          bonds are held by an individual who is a  
19          covered person, or a spouse or dependent  
20          child of a covered person, on the date of en-  
21          actment of the Halting Ownership and  
22          Non-Ethical Stock Transactions (HONEST)  
23          Act;

24          “(xi) any share of Settlement Common  
25          Stock issued under section 7(g)(1)(A) of the

1 *Alaska Native Claims Settlement Act (43*  
2 *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 *“(C) RULE OF CONSTRUCTION.—Nothing in*  
8 *this paragraph shall be construed to imply that*  
9 *particular digital assets are not securities, com-*  
10 *modities, or other types of covered investments.*

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

13 *“(A) a Member of Congress;*

14 *“(B) the President of the United States; or*

15 *“(C) the Vice President of the United*  
16 *States.*

17 *“(4) CUSTODY.—The term ‘custody’ has the*  
18 *meaning given the term in section 275.206(4)–2(d) of*  
19 *title 17, Code of Federal Regulations, as in effect on*  
20 *the date of enactment of the Halting Ownership and*  
21 *Non-Ethical Stock Transactions (HONEST) Act (or*  
22 *any successor regulation).*

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

1           “(A) *under 19 years of age; and*

2           “(B) *a dependent of the covered person*  
3           *within the meaning of section 152 of the Internal*  
4           *Revenue Code of 1986.*

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

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

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

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

18               “(B) *any other contract for the sale of a*  
19               *commodity for future delivery.*

20          “(9) *ILLIQUID INVESTMENT.*—*The term ‘illiquid*  
21          *investment’ means an interest in a private fund, as*  
22          *defined in section 202(a) of the Investment Advisers*  
23          *Act of 1940 (15 U.S.C. 80b–2(a)).*

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

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

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

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

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

18       **“§ 13162. Trading covered investments**

19          “(a) *BAN ON TRADING*.—Except as provided in sub-  
20          section (b)—

21               “(1) effective on the date of enactment of the  
22               *Halting Ownership and Non-Ethical Stock Trans-*  
23               *actions (HONEST) Act, a covered person shall not*  
24               *purchase any covered investment;*

1           “(2) effective on the date that is 90 days after the  
 2           date of enactment of the Halting Ownership and Non-  
 3           Ethical Stock Transactions (HONEST) Act, a covered  
 4           person shall not sell any covered investment, except as  
 5           provided in section 13163(a)(1); and

6           “(3) on and after the applicable effective date de-  
 7           scribed in section 13163(j), an individual who is a  
 8           spouse or dependent child of a covered person shall  
 9           not purchase any covered investment or sell any cov-  
 10          ered investment, except as provided in section  
 11          13163(a)(1).

12          “(b) *EXCEPTION.*—Notwithstanding subsection (a), a  
 13          covered person may divest a covered investment as directed  
 14          by the relevant supervising ethics office pursuant to this  
 15          subchapter.

16          “(c) *JOINT COVERED INVESTMENT.*—Any covered in-  
 17          vestment reported to the supervising ethics office as jointly  
 18          owned by a covered person and the spouse of the covered  
 19          person shall be deemed to be a covered investment of the  
 20          covered person for purposes of this section.

21          “**§ 13163. Addressing owned covered investments**

22          “(a) *COVERED PERSONS.*—

23                  “(1) *DIVESTITURE.*—

24                          “(A) *REQUIREMENTS.*—

1           “(i) *OFFICIALS SWORN IN BEFORE THE*  
2           *DATE OF ENACTMENT.—Subject to para-*  
3           *graph (2) and the amendments made under*  
4           *subsection (b), a covered person who is*  
5           *sworn into office on or before the date of en-*  
6           *actment of the Halting Ownership and*  
7           *Non-Ethical Stock Transactions (HONEST)*  
8           *Act, not later than the effective date de-*  
9           *scribed in subsection (j)(1), subject to any*  
10           *extension granted under subparagraph*  
11           *(C)(iii) of this paragraph, shall divest each*  
12           *covered investment owned or in the custody*  
13           *of—*

14                   “(I) *the covered person; or*

15                   “(II) *a spouse or dependent child*  
16                   *of the covered person.*

17           “(ii) *OFFICIALS SWORN IN AFTER THE*  
18           *DATE OF ENACTMENT.—Subject to para-*  
19           *graph (2) and the amendments made under*  
20           *subsection (b), a covered person who is*  
21           *sworn into office after the date of enactment*  
22           *of the Halting Ownership and Non-Ethical*  
23           *Stock Transactions (HONEST) Act, not*  
24           *later than the effective date described in*  
25           *subsection (j)(2), subject to any extension*

1           *granted under subparagraph (C)(iii) of this*  
2           *paragraph, shall divest each covered invest-*  
3           *ment owned or in the custody of—*

4                     “(I) *the covered person; or*

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

7           “(B) *ILLIQUID INVESTMENTS.—*

8                     “(i) *OFFICIALS SWORN IN BEFORE THE*  
9                     *DATE OF ENACTMENT.—In the case of a cov-*  
10                    *ered person who is sworn into office on or*  
11                    *before the date of enactment of the Halting*  
12                    *Ownership and Non-Ethical Stock Trans-*  
13                    *actions (HONEST) Act, if the covered per-*  
14                    *son commences a new term of service as a*  
15                    *Member of Congress, President, or Vice*  
16                    *President after such date of enactment and*  
17                    *holds an illiquid investment at that time,*  
18                    *the covered person shall divest the illiquid*  
19                    *investment not later than the date that is—*

20                    “(I) *after the effective date de-*  
21                    *scribed in subsection (j)(1); and*

22                    “(II) *90 days after the date on*  
23                    *which the covered person is contrac-*  
24                    *tually permitted to sell the illiquid in-*  
25                    *vestment.*

1           “(i) *OFFICIALS SWORN IN AFTER THE*  
2           *DATE OF ENACTMENT.—In the case of a cov-*  
3           *ered person who is sworn after the date of*  
4           *enactment of the Halting Ownership and*  
5           *Non-Ethical Stock Transactions (HONEST)*  
6           *Act, if the covered person holds an illiquid*  
7           *investment on the date on which the covered*  
8           *person commences such term of service as a*  
9           *Member of Congress, President, or Vice*  
10           *President, the covered person shall divest the*  
11           *illiquid investment on the date that is—*

12                   “(I) *after the effective date de-*  
13                   *scribed in subsection (j)(2); and*

14                   “(II) *not later than 90 days after*  
15                   *the date on which the covered person is*  
16                   *contractually permitted to sell the il-*  
17                   *liquid investment.*

18           “(C) *QUALIFIED BLIND TRUSTS.—*

19                   “(i) *PROHIBITION ON FUTURE QUALI-*  
20                   *FIED BLIND TRUSTS.—Except as provided*  
21                   *in clause (iii), on and after the date that is*  
22                   *180 days after the applicable effective date*  
23                   *described in subsection (j), neither a covered*  
24                   *person nor any spouse or dependent child of*

1           *the covered person may maintain a quali-*  
2           *fied blind trust.*

3           “(i) *MANDATORY SALE OF COVERED*  
4           *INVESTMENTS IN EXISTING QUALIFIED*  
5           *BLIND TRUSTS.—*

6           “(I) *IN GENERAL.—The trustee of*  
7           *a qualified blind trust holding covered*  
8           *investments shall, at a time elected by*  
9           *the covered person, on behalf of a cov-*  
10          *ered person, and in accordance with*  
11          *clause (iv)—*

12          “(aa) *divest all covered in-*  
13          *vestments held in the qualified*  
14          *blind trust for the purposes of*  
15          *complying with the divestiture re-*  
16          *quirements under this section, in*  
17          *accordance with subparagraph*  
18          *(A); and*

19          “(bb) *dissolve the qualified*  
20          *blind trust in accordance with*  
21          *this chapter and guidance from*  
22          *the supervising ethics office.*

23          “(II) *NOTICE OF COMPLIANCE.—*

24          “(aa) *NOTICE OF DIVESTI-*  
25          *TURE.—*

1                                   “(AA) *IN GENERAL.*—  
2                                   *Upon the completion of di-*  
3                                   *vestiture of all covered invest-*  
4                                   *ments pursuant to subclause*  
5                                   *(I)(aa), the trustee shall sub-*  
6                                   *mit to the supervising ethics*  
7                                   *office and the applicable cov-*  
8                                   *ered person a written notice*  
9                                   *stating that the trustee has*  
10                                   *completed divestiture of all*  
11                                   *covered investments held in*  
12                                   *the qualified blind trust pur-*  
13                                   *suant to subclause (I)(aa).*

14                                   “(BB) *PUBLICATION.*—  
15                                   *The supervising ethics office*  
16                                   *shall publish the notice re-*  
17                                   *quired under subitem (AA)*  
18                                   *on the website of the super-*  
19                                   *vising ethics office.*

20                                   “(bb) *NOTICE OF DISSOLU-*  
21                                   *TION.*—*Upon the dissolution of a*  
22                                   *qualified blind trust pursuant to*  
23                                   *subclause (I)(bb), the trustee shall*  
24                                   *submit to the supervising ethics*  
25                                   *office and the applicable covered*

1            *person a written notice stating*  
2            *that the trust has dissolved the*  
3            *qualified blind trust pursuant to*  
4            *subclause (I)(bb) and shall include*  
5            *a list of the assets held in the*  
6            *qualified blind trust on the date of*  
7            *the dissolution of such trust and*  
8            *the category of value of each such*  
9            *asset.*

10            *“(iii) EXTENSION OF MANDATORY SALE*  
11            *OF COVERED INVESTMENTS.—*

12            *“(I) REQUEST.—Each covered*  
13            *person who maintains a qualified*  
14            *blind trust established by the covered*  
15            *person, or a spouse or dependent child*  
16            *of the covered person, in any case in*  
17            *which the trustee of the qualified blind*  
18            *trust believes the size or complexity of*  
19            *the covered investments in the qualified*  
20            *blind trust warrant such extension*  
21            *may apply to the supervising ethics of-*  
22            *fice for an extension of the period de-*  
23            *scribed in subparagraph (A).*

1                   “(II) *DURATION.*—An extension  
2                   granted under subclause (I) shall not  
3                   exceed 90 days.

4                   “(iv) *COMMUNICATIONS.*—A covered  
5                   person may communicate with and direct  
6                   the trustee of their qualified blind trust for  
7                   the purposes of—

8                   “(I) *determining when divestment*  
9                   *of covered investments in the qualified*  
10                  *blind trust should occur, pursuant to*  
11                  *subparagraph (A) of this paragraph,*  
12                  *clause (ii) of this subparagraph, or sec-*  
13                  *tion 13162(b), as applicable;*

14                  “(II) *determining which per-*  
15                  *mitted property covered investments*  
16                  *should be divested into; and*

17                  “(III) *whether the trustee utilizes*  
18                  *a certificate of divestiture pursuant to*  
19                  *section 1043(b) of the Internal Revenue*  
20                  *Code of 1986, as amended by sub-*  
21                  *section (b) of this section.*

22                  “(2) *EXCEPTION FOR DEPENDENTS.*—An indi-  
23                  vidual who is a dependent child of a covered person  
24                  may have a legal guardian hold or trade on behalf of  
25                  the dependent child 1 or more covered investments

1       *provided that the value of the covered investments in*  
2       *total does not exceed \$10,000.*

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

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

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

10                      “(B) *in paragraph (2)(B)—*

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

13                               “(ii) *by inserting ‘or the applicable su-*  
14       *pervising ethics office (as defined in section*  
15       *13101 of title 5, United States Code), in the*  
16       *case of a covered person’ after ‘judicial offi-*  
17       *cers,’; and*

18                      “(C) *in paragraph (3), by striking ‘or any*  
19       *diversified investment fund approved by regula-*  
20       *tions issued by the Office of Government Ethics’*  
21       *and inserting ‘, any diversified investment fund*  
22       *approved by regulations issued by the Office of*  
23       *Government Ethics (in the case of any eligible*  
24       *person who is not a covered person (as defined*  
25       *in section 13161 of title 5, United States Code)),*

1           or any diversified mutual fund or a diversified  
2           exchange-traded fund described in clause (i) or  
3           (ii) of section 13161(2)(B) of title 5, United  
4           States Code (in the case of any eligible person  
5           who is a covered person (as so defined)).’.

6           “(2) *EFFECTIVE DATE.*—The amendments made  
7           by this subsection shall apply to sales after the date  
8           of enactment of the *Halting Ownership and Non-Eth-*  
9           *ical Stock Transactions (HONEST) Act.*

10          “(c) *ACQUISITIONS DURING SERVICE.*—

11           “(1) *IN GENERAL.*—Subject to paragraph (2),  
12           and any applicable rules issued pursuant to sub-  
13           section (h)(3), effective beginning on the date of enact-  
14           ment of the *Halting Ownership and Non-Ethical*  
15           *Stock Transactions (HONEST) Act*, no covered per-  
16           son, or spouse or dependent child of a covered person,  
17           may acquire any covered investment.

18          “(2) *INHERITANCES.*—

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

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

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

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

13           “(d) *FAMILY TRUSTS.*—

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

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

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

19                           “(ii) contributed any asset to the fam-  
 20                           ily trust; or

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

1           “(B) the grantor of the family trust is or  
2           was a family member of the covered person, or  
3           the spouse or dependent child of the covered per-  
4           son.

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

10          “(3) *PUBLICATION*.—A supervising ethics office  
11          shall publish on the public website of the supervising  
12          ethics office—

13                 “(A) a copy of each request submitted under  
14                 paragraph (2); and

15                 “(B) the written response of the supervising  
16                 ethics office to each request described in subpara-  
17                 graph (A).

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

1 *except as provided in this section, otherwise control a cov-*  
 2 *ered investment, including purchasing new covered invest-*  
 3 *ments.*

4 “(f) *REPORTING REQUIREMENTS.—*

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

8 “(A) *a copy of—*

9 “(i) *each notification submitted to the*  
 10 *supervising ethics office in accordance with*  
 11 *subsection (a)(1)(C)(ii)(II);*

12 “(ii) *each notice and other documenta-*  
 13 *tion submitted to the supervising ethics of-*  
 14 *fice under this section; and*

15 “(iii) *each written response and other*  
 16 *documentation issued or received by the su-*  
 17 *pervising ethics office under subsection (d);*

18 “(B) *not later than 30 days after a quali-*  
 19 *fied blind trust maintained by a covered person*  
 20 *is dissolved, a written notice of the dissolution of*  
 21 *the qualified blind trust; and*

22 “(C) *a description of each extension grant-*  
 23 *ed, and each civil penalty imposed, pursuant to*  
 24 *this section.*

25 “(2) *FEDERAL BENEFITS.—*

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

3           “(i) *means a payment of money or any*  
4 *other item of value made, or promised to be*  
5 *made, by the Federal Government;*

6           “(ii) *includes—*

7           “(I) *a loan agreement, contract,*  
8 *or grant made, or promised to be*  
9 *made, by the Federal Government, in-*  
10 *cluding such an agreement, contract,*  
11 *or grant relating to agricultural activ-*  
12 *ity; and*

13           “(II) *such other types of payment*  
14 *of money or items of value as the su-*  
15 *pervising ethics office may establish, by*  
16 *guidance; and*

17           “(iii) *does not include—*

18           “(I) *any salary or compensation*  
19 *for service performed as, or reimburse-*  
20 *ment of personal outlay by, an officer*  
21 *or employee of the Federal Govern-*  
22 *ment; or*

23           “(II) *any tax refund (including a*  
24 *refundable tax credit).*

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

13          “(g) *ENFORCEMENT.*—

14                 “(1) *IN GENERAL.*—The applicable supervising  
15                 ethics office shall provide a written notice (including  
16                 notice of the potential for civil penalties under para-  
17                 graph (2)) to any covered person if the covered per-  
18                 son, or the spouse or dependent child of the covered  
19                 person, as applicable—

20                         “(A) fails to divest a covered investment  
21                         owned by, in the custody of, or held in a quali-  
22                         fied blind trust of, the covered person or spouse  
23                         or dependent child of a covered person, in ac-  
24                         cordance with subsection (a)(1), subject to any  
25                         extension under subsection (a)(1)(C)(iii); or

1           “(B) acquires an interest in a covered in-  
2           vestment in violation of this section.

3           “(2) CIVIL PENALTIES.—

4           “(A) IN GENERAL.—In the event of con-  
5           tinuing noncompliance after issuance of the no-  
6           tice described in paragraph (1), the supervising  
7           ethics office shall impose a civil penalty, in the  
8           amount described in subparagraph (B), on a  
9           covered person to whom a notice is provided  
10          under subparagraph (A) or (B) of paragraph  
11          (1)—

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

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

17           “(B) AMOUNT.—The amount of each civil  
18           penalty imposed on a covered person pursuant to  
19           subparagraph (A) shall be equal to the greater  
20           of—

21                   “(i) the monthly equivalent of the an-  
22                   nual rate of pay payable to the covered per-  
23                   son; and

24                   “(ii) an amount equal to 10 percent of  
25                   the value of each covered investment that

1                   *was not divested in violation of this section*  
2                   *during the period covered by the penalty.*

3           “(h) *DUTIES OF SUPERVISING ETHICS OFFICES.*—

4 *Each supervising ethics office shall—*

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

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

10                   “(3) *issue such rules and guidelines as the super-*  
11                   *vising ethics office determines to be appropriate for*  
12                   *the implementation and application of this sub-*  
13                   *chapter; and*

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

16           “(i) *RULE OF CONSTRUCTION.*—*Nothing in this sec-*  
17           *tion shall be construed to prevent a covered person, or a*  
18           *spouse or dependent child of a covered person, from owning*  
19           *or trading—*

20                   “(1) *a diversified mutual fund; or*

21                   “(2) *a publicly traded, diversified exchange trad-*  
22                   *ed fund.*

23           “(j) *EFFECTIVE DATE.*—*The effective date described in*  
24           *this subsection is the date on which—*

1           “(1) *in the case of a covered person who is sworn*  
 2           *into office on or before the date of enactment of the*  
 3           *Halting Ownership and Non-Ethical Stock Trans-*  
 4           *actions (HONEST) Act, or the spouse or dependent*  
 5           *child of such a covered person, the date on which the*  
 6           *covered person commences a new term of service as a*  
 7           *Member of Congress, President, or Vice President after*  
 8           *such date of enactment; or*

9           “(2) *in the case of a covered person who is sworn*  
 10           *into office after the date of enactment of the Halting*  
 11           *Ownership and Non-Ethical Stock Transactions*  
 12           *(HONEST) Act, or the spouse or dependent child of*  
 13           *such a covered person, the date on which the covered*  
 14           *person commences such term of service as a Member*  
 15           *of Congress, President, or Vice President.”.*

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

“SUBCHAPTER IV—CERTAIN ASSETS OF MEMBERS OF CONGRESS, THE PRESIDENT, THE VICE PRESIDENT, AND THEIR SPOUSES AND DEPENDENT CHILDREN

“13161. Definitions.

“13162. Trading covered investments

“13163. Addressing owned covered investments”.

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

20           (1) **TITLE 5.**—*Title 5, United States Code, is*  
 21           *amended—*

22           (A) *in section 13103(f)—*

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

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

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

7           and

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

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

14           (ii) by striking clause (iv).

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

23          (3) *SECURITIES EXCHANGE ACT OF 1934*.—Sec-  
24          tion 21A of the Securities Exchange Act of 1934 (15  
25          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 “under  
7                   section 13101”; and

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

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

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

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

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

17           “(a) *IN GENERAL.*—*Notwithstanding any other provi-*  
18           *sion 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 applica-*  
22           *ble), of \$500 in each case in which the reporting individual*  
23           *fails to file a transaction report required under this Act*  
24           *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 amendment made by*  
 5 *paragraph (1) shall apply on and after March 31,*  
 6 *2027.*

7       (b) *RULES, REGULATIONS, GUIDANCE, AND DOCU-*  
 8 *MENTS.*—*Not later than 1 year after the date of enactment*  
 9 *of this Act, each supervising ethics office (as defined in sec-*  
 10 *tion 13101 of title 5, United States Code) (including the*  
 11 *Administrative Office of the United States Courts, as appli-*  
 12 *cable) shall amend the rules, regulations, guidance, docu-*  
 13 *ments, papers, and other records of the supervising ethics*  
 14 *office in accordance with the amendment made by this sec-*  
 15 *tion.*

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

18       (a) *MEMBERS OF CONGRESS AND CONGRESSIONAL*  
 19 *STAFF.*—*Section 8(b)(1) of the STOCK Act (5 U.S.C. 13107*  
 20 *note) 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 databases*  
 24 *maintained on the official websites of the House of*  
 25 *Representatives and the Senate” after “enable”; and*

1           (2) *by striking subparagraph (B) and the undes-*  
2 *ignated matter following that subparagraph and in-*  
3 *serting the following:*

4                   “(B) *public access—*

5                           “(i) *to each—*

6                                   “(I) *financial disclosure report*  
7 *filed by a Member of Congress or a*  
8 *candidate for Congress;*

9                                   “(II) *transaction disclosure report*  
10 *filed by a Member of Congress or a*  
11 *candidate for Congress pursuant to sec-*  
12 *tion 13105(l); and*

13                                   “(III) *notice of extension, amend-*  
14 *ment, or blind trust, with respect to a*  
15 *report described in subclause (I) or*  
16 *(II), pursuant to subchapter I of chap-*  
17 *ter 131 of title 5, United States Code;*  
18 *and*

19                                   “(ii) *in a manner that—*

20   “(I) *allows the public to search,*  
21 *sort, and download data contained in*  
22 *the reports described in subclause (I)*  
23 *or (II) of clause (i) by criteria required*  
24 *to be reported, including by filer name,*  
25 *asset, transaction type, ticker symbol,*

1 notification date, amount of trans-  
2 action, and date of transaction;

3 “(II) allows access through an ap-  
4 plication programming interface; and

5 “(III) is fully compliant with—

6 “(aa) section 508 of the Re-  
7 habilitation Act of 1973 (29  
8 U.S.C. 794d); and

9 “(bb) the most recent Web  
10 Content Accessibility Guidelines  
11 (or successor guidelines).”.

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

15 **SEC. 5. SEVERABILITY.**

16 If any provision of this Act, an amendment made by  
17 this Act, or the application of such provision or amendment  
18 to any person or circumstance is held to be unconstitu-  
19 tional, the remainder of this Act and of the amendments  
20 made by this Act, and the application of the remaining pro-  
21 visions of this Act and amendments to any person or cir-  
22 cumstance, shall not be affected.

**Calendar No. 294**

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**S. 1498**

**A BILL**

To amend chapter 131 of title 5, United States Code, to prohibit transactions involving certain financial instruments by Members of Congress.

DECEMBER 10, 2025

Reported with an amendment