

117TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To prohibit stock trading and ownership by Members of Congress and spouses of Members of Congress, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Ms. WARREN (for herself, Mr. DAINES, Mrs. BLACKBURN, and Ms. STABENOW) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To prohibit stock trading and ownership by Members of Congress and spouses of Members of Congress, 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 “Bipartisan Ban on  
5 Congressional Stock Ownership Act of 2022”.

6 **SEC. 2. BAR ON STOCK TRADING AND OWNERSHIP BY MEM-**  
7 **BERS OF CONGRESS AND SPOUSES.**

8 (a) DEFINITIONS.—In this section:

1           (1) COMMODITY.—The term “commodity” has  
2 the meaning given that term in section 1a of the  
3 Commodity Exchange Act (7 U.S.C. 1a)).

4           (2) CONGRESSIONAL ETHICS COMMITTEE.—The  
5 term “congressional ethics committee” has the  
6 meaning given that term in section 109 of the Eth-  
7 ics in Government Act of 1978 (5 U.S.C. App.).

8           (3) DIVERSIFIED.—The term “diversified”,  
9 with respect to an investment fund, means that the  
10 investment fund does not have a stated policy of  
11 overly concentrating its investments.

12           (4) MEMBER OF CONGRESS.—The term “Mem-  
13 ber of Congress” has the meaning given that term  
14 in section 109 of the Ethics in Government Act of  
15 1978 (5 U.S.C. App.).

16           (5) SECURITY.—The term “security” has the  
17 meaning given that term in section 3(a) of Securities  
18 Exchange Act of 1934 (15 U.S.C. 78c(a)).

19           (6) SMALL BUSINESS CONCERN.—The term  
20 “small business concern” has the meaning given  
21 that term under section 3 of the Small Business Act  
22 (15 U.S.C. 632).

23           (7) WIDELY HELD INVESTMENT FUND.—The  
24 term “widely held investment fund” means a widely  
25 held investment fund described in section 102(f)(8)

1 of the Ethics in Government Act of 1978 (5 U.S.C.  
2 App.).

3 (b) DIVESTMENT.—

4 (1) IN GENERAL.—Except as provided in sub-  
5 section (c), no Member of Congress or spouse of a  
6 Member of Congress may own an interest in or trade  
7 (except as a divestment) any stock, bond, com-  
8 modity, future, or other form of security, including  
9 an interest in a hedge fund, a derivative, option, or  
10 other complex investment vehicle.

11 (2) IMPLEMENTATION.—

12 (A) CURRENT MEMBERS.—

13 (i) IN GENERAL.—Except as provided  
14 in clause (ii), an individual who is a Mem-  
15 ber of Congress on the date of enactment  
16 of this Act, or the spouse of such an indi-  
17 vidual, shall complete the divestment of  
18 any asset described in paragraph (1) by  
19 not later than 180 days after the date of  
20 enactment of this Act.

21 (ii) CERTAIN ASSETS.—For an asset  
22 described in paragraph (1) that is an inter-  
23 est in a hedge fund, venture capital fund,  
24 or other privately-held complex investment  
25 vehicle, an individual who is a Member of

1 Congress on the date of enactment of this  
2 Act, or the spouse of such an individual,  
3 shall complete the divestment of the asset  
4 by not later than 5 years after the date of  
5 enactment of this Act.

6 (B) NEW MEMBERS.—

7 (i) IN GENERAL.—Except as provided  
8 in clause (ii), an individual who becomes a  
9 Member of Congress after the date of en-  
10 actment of this Act, or who is the spouse  
11 of such an individual, shall complete the  
12 divestment of any asset described in para-  
13 graph (1) by not later than 180 days after  
14 the date on which the individual becomes a  
15 Member of Congress.

16 (ii) CERTAIN ASSETS.—For an asset  
17 described in paragraph (1) that is an inter-  
18 est in a hedge fund, venture capital fund,  
19 or other privately-held complex investment  
20 vehicle, an individual who becomes a Mem-  
21 ber of Congress after the date of enact-  
22 ment of this Act, or who is the spouse of  
23 such an individual, shall complete the di-  
24 vestment of the asset by not later than 5

1           years after the date on which the indi-  
2           vidual becomes a Member of Congress.

3           (C) DIVESTMENT OF ASSETS RECEIVED  
4           WHILE A MEMBER.—An individual serving as a  
5           Member of Congress, or the spouse of such an  
6           individual, who receives any asset described in  
7           paragraph (1) during the period of such service,  
8           such as from an inheritance, shall complete the  
9           divestment of the asset by not later than 180  
10          days after the date on which the individual or  
11          spouse receives the asset.

12          (e) EXCEPTIONS.—Nothing in this section shall be  
13          construed to prevent—

14               (1) a Member of Congress or spouse of a Mem-  
15          ber of Congress from owning or trading—

16                       (A) a widely held investment fund, if the  
17          widely held investment fund—

18                               (i) does not present a conflict of inter-  
19                               est; and

20                               (ii) is diversified;

21                       (B) shares of Settlement Common Stock  
22          issued under section 7(g)(1)(A) of the Alaska  
23          Native Claims Settlement Act (43 U.S.C.  
24          1606(g)(1)(A));

1 (C) shares of Settlement Common Stock,  
2 as defined in section 3 of the Alaska Native  
3 Claims Settlement Act (43 U.S.C. 1602);

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

6 (E) an investment fund held in a Federal,  
7 State, or local government employee retirement  
8 plan;

9 (F) an interest in a small business con-  
10 cern, if the small business concern does not  
11 present a conflict of interest; or

12 (G) any asset described in subsection  
13 (b)(1) received as compensation from the pri-  
14 mary occupation of the spouse; or

15 (2) a spouse of a Member of Congress from  
16 trading any asset described in subsection (b)(1) that  
17 is not owned by the spouse or Member of Congress  
18 in the course of performing the primary occupation  
19 of the spouse.

20 (d) CIVIL FINES.—The Attorney General or the Spe-  
21 cial Counsel may bring a civil action in the appropriate  
22 United States district court against any Member of Con-  
23 gress or spouse of a Member of Congress who engages  
24 in conduct constituting a violation of this section and,  
25 upon proof of such conduct by a preponderance of the evi-

1 dence, such Member of Congress or spouse shall be subject  
2 to a civil penalty of not more than \$50,000 for each viola-  
3 tion. The imposition of a civil penalty under this sub-  
4 section does not preclude any other criminal or civil statu-  
5 tory, common law, or administrative remedy, which is  
6 available by law to the United States or any other person.

7 (e) NONRECOGNITION OF GAIN.—

8 (1) IN GENERAL.—Paragraph (1) of section  
9 1043(b) of the Internal Revenue Code of 1986 is  
10 amended—

11 (A) by striking “and” at the end of sub-  
12 paragraph (A),

13 (B) by redesignating subparagraph (B) as  
14 subparagraph (C),

15 (C) by inserting after subparagraph (A)  
16 the following new subparagraph:

17 “(B) any Member of Congress or Member  
18 of Congress-elect, but only with respect to a di-  
19 vestment of property required by the Bipartisan  
20 Ban on Congressional Stock Ownership Act of  
21 2022, and”, and

22 (D) by striking “subparagraph (A)” in  
23 subparagraph (C), as so redesignated, and in-  
24 serting “subparagraph (A) or (B), whichever is  
25 applicable”.

1           (2) CERTIFICATE OF DIVESTITURE.—Subpara-  
2           graph (B) of section 1043(b)(2) of such Code is  
3           amended—

4                   (A) by striking “or by” and inserting  
5                   “by”, and

6                   (B) by inserting “, or by the applicable  
7                   congressional ethics committee, in the case of  
8                   Members of Congress, Members of Congress-  
9                   elect, and spouses of Members of Congress and  
10                  Members of Congress-elect” after “judicial offi-  
11                  cers”.

12           (3) EFFECTIVE DATE.—The amendments made  
13           by this subsection shall apply to sales of property  
14           after the date of the enactment of this Act.

15           (f) INTERPRETIVE GUIDANCE.—The Select Com-  
16           mittee on Ethics of the Senate and the Committee on Eth-  
17           ics of the House of Representatives shall issue interpretive  
18           guidance regarding relevant terms not defined in this Act  
19           or elsewhere in statute.