

116TH CONGRESS
2D SESSION

H. R. 7526

To amend the Ethics in Government Act of 1978 to require senior Government officials and their family members to divest foreign financial interests, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2020

Mr. GOLDEN introduced the following bill; which was referred to the Committee on Oversight and Reform, and in addition to the Committee on House Administration, 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 amend the Ethics in Government Act of 1978 to require senior Government officials and their family members to divest foreign financial interests, 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 “Stop Foreign Payoffs
5 Act”.

1 **SEC. 2. DIVESTITURE OF FOREIGN FINANCIAL INTERESTS.**

2 (a) IN GENERAL.—The Ethics in Government Act of
3 1978 (5 U.S.C. App.) is amended by adding after title
4 V the following:

5 **“TITLE VI—LIMITATION ON**
6 **FOREIGN FINANCIAL INTERESTS**

7 **“§ 601. Limitation on foreign financial interests**

8 “(a) DIVESTITURE.—

9 “(1) IN GENERAL.—A covered individual may
10 not hold any foreign financial interest, and shall di-
11 vest of any such interest by—

12 “(A) converting each such interest to cash
13 or other investment; or

14 “(B) placing each such interest in a quali-
15 fied blind trust as defined in section 102(f)(3)
16 or a diversified trust under section
17 102(f)(4)(B).

18 “(2) APPLICATION.—

19 “(A) Not later than 30 days after the date
20 regulations are promulgated to carry out this
21 section, a covered individual holding any foreign
22 financial interest on such date shall divest of
23 such interest pursuant to paragraph (1).

24 “(B) Within 30 days that an individual as-
25 sumes an office described under subparagraph
26 (A), (B), or (C) of subsection (d)(1), such indi-

1 vidual, and any applicable individual described
2 under subparagraph (D) of such subsection,
3 shall divest of such interest pursuant to para-
4 graph (1).

5 “(b) PROHIBITION ON RECEIVING FOREIGN PAY-
6 MENTS.—A covered individual may not receive any wage,
7 salary, dividend, or any other payment from any foreign
8 business.

9 “(c) ENFORCEMENT.—

10 “(1) IN GENERAL.—The Attorney General may
11 bring a civil action in any appropriate United States
12 district court against any individual who knowingly
13 and willfully violates the provisions of this section.
14 The court in which such action is brought may as-
15 sess against such individual a civil penalty in any
16 amount not to exceed twice the value of any foreign
17 financial interest held, or any unlawfully foreign
18 payment received, in violation of this section.

19 “(2) NEGLIGENT VIOLATIONS.—The Attorney
20 General may bring a civil action in any appropriate
21 United States district court against any individual
22 who negligently violates the provisions of this sec-
23 tion. The court in which such action is brought may
24 assess against such individual a civil penalty in any
25 amount not to exceed the value of any foreign finan-

1 cial interest held, or any unlawfully foreign payment
2 received, in violation of this section.

3 “(d) DEFINITIONS.—For purposes of this section—

4 “(1) the term ‘covered individual’ means—

5 “(A) the President;

6 “(B) a Member of Congress (as that term
7 is defined in section 2106 of title 5, United
8 States Code);

9 “(C) any cabinet-level position within the
10 executive branch of Government, including the
11 head of any executive department (as that term
12 is defined in section 101 of title 5, United
13 States Code); and

14 “(D) the spouse, son, daughter, son-in-law,
15 or daughter-in-law of any individual described
16 in subparagraph (A), (B), or (C);

17 “(2) the term ‘foreign business’ means a part-
18 nership, association, corporation, organization, or
19 other combination of persons organized under the
20 laws of or having its principal place of business in
21 a foreign country; and

22 “(3) the term ‘foreign financial interest’ means
23 any financial interest in a foreign business, including
24 a stock, ownership interest, bond, or debt.”.

1 (b) REGULATIONS.—Not later than 120 days after
2 the date of enactment of this Act—

3 (1) with respect to covered individuals (as that
4 term is described in subsection (d)(1) of section 601
5 of the Ethics in Government Act of 1978, as added
6 in subsection (a)) in the executive branch (including
7 the Vice President), the Director of the Office of
8 Government Ethics shall promulgate regulations to
9 carry out such section 601; and

10 (2) with respect to covered individuals in the
11 legislative branch, the Committee on Ethics of the
12 House of Representatives and the Select Committee
13 on Ethics of the Senate shall promulgate regulations
14 to carry out such section 601.

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