

116TH CONGRESS
2D SESSION

H. R. 7581

To require certain officers and employees in the executive branch of the Federal Government to divest certain financial interests, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 13, 2020

Mr. CICILLINE introduced the following bill; which was referred to the Committee on Oversight and Reform

A BILL

To require certain officers and employees in the executive branch of the Federal Government to divest certain 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. DIVESTITURE OF CERTAIN FINANCIAL INTER-**
4 **ESTS OF FEDERAL OFFICERS AND EMPLOY-**
5 **EES AND SPOUSES.**

6 (a) DEFINITIONS.—In this Act—

7 (1) the term “covered significant business inter-

8 est”—

1 (A) means any financial interest of a cov-
2 ered officer or employee in a corporation, com-
3 pany, association, firm, partnership, proprietor-
4 ship, or any other business entity of which the
5 covered officer or employee is—

6 (i) a trustee;

7 (ii) a partner;

8 (iii) an officer;

9 (iv) a director; or

10 (v) a shareholder who holds more than
11 10 percent of any class of equity securities;

12 and

13 (B) does not include any financial interest
14 consisting of obligations issued by the Treasury,
15 diversified mutual funds that qualify for a regu-
16 latory exemption, or residential property that is
17 not held for the production of rental or other
18 income;

19 (2) the terms “conflict-free holding” and
20 “qualified blind trust” have the meanings given
21 those terms in sections 102(f)(3) and 102(f)(8), re-
22 spectively, of the Ethics in Government Act of 1978
23 (5 U.S.C. App.); and

24 (3) the term “covered officer or employee”
25 means—

1 (A) any individual occupying a position—

2 (i) listed under the Executive Sched-
3 ule (subchapter II of chapter 53 of title 5,
4 United States Code);

5 (ii) in the Senior Executive Service as
6 a noncareer appointee (as that term is de-
7 fined in section 3132(a) if such title);

8 (iii) of a confidential or policy-deter-
9 mining character under schedule C of sub-
10 part C of part 213 of title 5, Code of Fed-
11 eral Regulations; or

12 (iv) in the executive branch whose ap-
13 pointment is made by the President, by
14 and with the advice and consent of the
15 Senate; and

16 (B) any individual occupying any of the
17 following positions:

18 (i) Assistant to the President for Na-
19 tional Security Affairs.

20 (ii) Assistant to the President and
21 Chief of Staff.

22 (iii) Assistant to the President and
23 Deputy Chief of Staff.

1 (iv) Assistant to the President and
2 Deputy Chief of Staff for Communications
3 (or Director of Communications).

4 (v) Assistant to the President and
5 Press Secretary.

6 (vi) Senior Advisor to the President.

7 (vii) Assistant to the President and
8 Staff Secretary.

9 (viii) Assistant to the President for
10 Homeland Security and Counterterrorism.

11 (ix) Assistant to the President and
12 Counselor to the President.

13 (x) Director of the National Economic
14 Council.

15 (xi) Director of the Domestic Policy
16 Council.

17 (xii) Assistant to the President and
18 Chief of Staff or Deputy Chief of Staff to
19 the Vice President.

20 (xiii) Special Assistant to the Presi-
21 dent and Director of Communications for
22 the Vice President.

23 (xiv) Press Secretary to the Vice
24 President.

1 (xv) Senior Advisor to the Vice Presi-
2 dent.

3 (xvi) Deputy Assistant to the Presi-
4 dent and National Security Advisor or
5 Deputy National Security Advisor to the
6 Vice President.

7 (xvii) Deputy Assistant to the Presi-
8 dent and Counselor to the Vice President.

9 (xviii) Assistant to the President and
10 White House Counsel.

11 (b) DIVESTITURE OF COVERED SIGNIFICANT BUSI-
12 NESS INTEREST.—

13 (1) IN GENERAL.—A covered officer or em-
14 ployee or the spouse of any such officer or employee
15 shall divest of any covered significant business inter-
16 est by transferring such interest to a qualified blind
17 trust.

18 (2) TRUSTEE DUTIES.—Within a reasonable pe-
19 riod of time after the date a covered significant busi-
20 ness interest is transferred to a qualified blind trust
21 under paragraph (1), the trustee of the qualified
22 blind trust shall—

23 (A) sell the interest; and

24 (B) use the proceeds of the sale of the in-
25 terest to purchase conflict-free holdings.

1 (c) ENFORCEMENT.—The Attorney General, the at-
2 torney general of any State, or any person aggrieved by
3 any violation of subsection (b) may seek declaratory or in-
4 junctive relief in a court of competent jurisdiction if there
5 is probable cause to believe that a covered officer or em-
6 ployee or the spouse of such an officer or employee has
7 not complied with such subsection.

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