

119TH CONGRESS
1ST SESSION

S. 1365

To prohibit the awarding of contracts and grants to companies beneficially owned by special Government employees, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 9, 2025

Mrs. SHAHEEN introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To prohibit the awarding of contracts and grants to companies beneficially owned by special Government employees, 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 Federal Payments
5 to Companies Controlled by Special Government Employ-
6 ees Act of 2025”.

1 **SEC. 2. PROHIBITION ON AWARDING OF CONTRACTS AND**
2 **GRANTS TO COMPANIES BENEFICIALLY**
3 **OWNED BY SPECIAL GOVERNMENT EMPLOY-**
4 **EES.**

5 (a) IN GENERAL.—An executive agency may not
6 award a contract, grant, or cooperative agreement, or
7 make any payment related to a contract, grant, or cooper-
8 ative agreement, to a company of which any covered bene-
9 ficial owner was a special Government employee on or
10 after January 1, 2025, unless the individual who is such
11 a beneficial owner of such company immediately ceases to
12 be a special Government employee and is not a special
13 Government employee at any time during the 365 days
14 following the date of the enactment of this Act.

15 (b) DEFINITIONS.—In this section:

16 (1) COMPANY.—The term “company” means
17 any—

18 (A) corporation, company, limited liability
19 company, limited partnership, business trust, or
20 business association; or

21 (B) entity that is similar to an entity de-
22 scribed in subparagraph (A).

23 (2) COVERED BENEFICIAL OWNER.—The term
24 “covered beneficial owner” means an individual who,
25 with respect to a company—

1 (A) is a beneficial owner of the company,
2 as determined pursuant to section 240.13d-3 of
3 title 17, Code of Federal Regulations, as in ef-
4 fect on December 20, 2019; and

5 (B) owns, directly or indirectly, 5 percent
6 or more of the equity securities of the company.

7 (3) EQUITY SECURITY.—The term “equity secu-
8 rity” has the meaning given the term in section 3(a)
9 of the Securities Exchange Act of 1934 (15 U.S.C.
10 78c(a)).

11 (4) EXECUTIVE AGENCY.—The term “executive
12 agency” has the meaning given the term in section
13 133 of title 41, United States Code.

14 (5) SPECIAL GOVERNMENT EMPLOYEE.—The
15 term “special Government employee” has the mean-
16 ing given the term in section 202(a) of title 18,
17 United States Code.

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