

119TH CONGRESS
2D SESSION

S. 3649

To amend chapter 131 of title 5 to prohibit Members of Congress and their spouses and dependents from owning or trading stocks, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 15, 2026

Mrs. MOODY (for herself and Mrs. GILLIBRAND) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To amend chapter 131 of title 5 to prohibit Members of Congress and their spouses and dependents from owning or trading stocks, 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 “Restore Trust in Con-
5 gress Act”.

1 **SEC. 2. RESTRICTIONS ON TRADE AND OWNERSHIP OF**
 2 **COVERED INVESTMENTS.**

3 (a) TABLE OF CONTENTS.—The table of contents for
 4 chapter 131 of title 5, United States Code, is amended
 5 by adding at the end the following:

“SUBCHAPTER IV. RESTRICTIONS ON TRADE AND OWNERSHIP OF COVERED
 INVESTMENTS

“13151. Definitions.

“13152. Trade and ownership of covered investments.

“13153. Penalties.”.

6 (b) RESTRICTIONS.—Chapter 131 of title 5, United
 7 States Code, is amended by adding at the end a new sub-
 8 chapter:

9 “SUBCHAPTER IV—RESTRICTIONS ON TRADE
 10 AND OWNERSHIP OF COVERED INVESTMENTS
 11 “§ 13151. Definitions

12 “In this subchapter:

13 “(1) COMMODITY.—The term ‘commodity’—

14 “(A) has the meaning given the term in
 15 section 1a of the Commodity Exchange Act (7
 16 U.S.C. 1a); and

17 “(B) does not include a precious metal (as
 18 defined in section 1027.100 of title 31, Code of
 19 Federal Regulations).

20 “(2) COVERED INDIVIDUAL.—The term ‘cov-
 21 ered individual’ means any of the following:

22 “(A) A Member of Congress as defined in
 23 section 13101.

1 “(B) A dependent child as defined in sec-
 2 tion 13101 or a spouse of a Member of Con-
 3 gress.

4 “(C) An individual or entity described in
 5 section 13104(f)(3)(A) with respect to a cov-
 6 ered investment placed in a trust for any indi-
 7 vidual described in subparagraphs (A) or (B).

8 “(3) COVERED INVESTMENT.—The term ‘cov-
 9 ered investment’—

10 “(A) means an investment in a security, a
 11 commodity, a future, or any comparable eco-
 12 nomic interest acquired through synthetic
 13 means, such as the use of a derivative, includ-
 14 ing an option, warrant, or other similar means;
 15 and

16 “(B) does not include—

17 “(i) a widely held investment fund de-
 18 scribed in section 13104(f)(8) that is di-
 19 versified and publicly traded on a national
 20 or regional stock exchange;

21 “(ii) a United States Treasury bill,
 22 note, or bond;

23 “(iii) a State or municipal government
 24 bill, note, or bond;

1 “(iv) any compensation received by
 2 the spouse or dependent child of a covered
 3 individual from their employer;

4 “(v) an interest in a small business
 5 concern;

6 “(vi) an interest in a limited liability
 7 company created for the sole purpose of
 8 purchasing or holding real estate that
 9 serves as the personal residence of the
 10 Member of Congress;

11 “(vii) any share of Settlement Com-
 12 mon Stock issued under section 7(g)(1)(A)
 13 of the Alaska Native Claims Settlement
 14 Act (43 U.S.C. 1606(g)(1)(A)); or

15 “(viii) any share of Settlement Com-
 16 mon Stock, as defined in section 3 of the
 17 Alaska Native Claims Settlement Act (43
 18 U.S.C. 1602).

19 “(4) DIVERSIFIED.—The term ‘diversified’,
 20 with respect to an investment fund, means such
 21 fund does not have a stated policy of concentrating
 22 its investments in any industry, business, single
 23 country other than the United States, or bonds of a
 24 single State within the United States except for the
 25 State in which the Member of Congress resides.

1 “(5) FUTURE.—The term ‘future’ means a fi-
 2 nancial contract obligating the buyer to purchase an
 3 asset or the seller to sell an asset, such as a physical
 4 commodity or a financial investment, at a predeter-
 5 mined future date and price.

6 “(6) SECURITY.—The term ‘security’ has the
 7 meaning given the term in section 3(a) of the Secu-
 8 rities Exchange Act of 1934 (15 U.S.C. 78c(a)).

9 “(7) SMALL BUSINESS CONCERN.—The term
 10 ‘small business concern’ has the meaning given the
 11 term in section 3 of the Small Business Act (15
 12 U.S.C. 632).

13 “(8) SUPERVISING ETHICS OFFICE.—The term
 14 ‘supervising ethics office’ has the meaning given the
 15 term in section 13101.

16 **“§ 13152. Trade and ownership of covered invest-**
 17 **ments**

18 “(a) CONDUCT DURING FEDERAL SERVICE.—Except
 19 as described in subsection (b)(1)(B) and subsections (d)
 20 through (f), no covered individual may, directly or indi-
 21 rectly, own or trade a covered investment.

22 “(b) COMPLIANCE.—

23 “(1) REQUIREMENT.—To comply with sub-
 24 section (a)—

1 “(A) a covered individual may not pur-
2 chase a covered investment; and

3 “(B) a covered individual shall divest of
4 any covered investment by the effective date es-
5 tablished in paragraph (2) at fair market value.

6 “(2) EFFECTIVE DATE.—The effective date is
7 established as follows:

8 “(A) 180 days for an individual who is a
9 covered individual on the date of enactment of
10 the Restore Trust in Congress Act.

11 “(B) 90 days within the date on which an
12 individual becomes a covered individual if such
13 date occurs after the date of enactment of the
14 Restore Trust in Congress Act.

15 “(c) CERTIFICATES OF DIVESTITURE.—

16 “(1) APPLICATION OF CERTIFICATE OF DIVES-
17 TITURE PROGRAM.—For purposes of section 1043 of
18 the Internal Revenue Code of 1986—

19 “(A) this section shall be treated as a Fed-
20 eral conflict of interest statute;

21 “(B) any covered individual described in
22 section 13151(2)(A) shall be treated as an eligi-
23 ble person described in section 1043(b)(1)(A) of
24 such Code; and

1 “(C) any spouse or dependent child de-
 2 scribed in section 13151(2)(B) shall be treated
 3 as an eligible person described in section
 4 1043(b)(1)(B) of such Code.

5 “(2) ISSUANCE OF CERTIFICATE OF DIVESTI-
 6 TURE.—

7 “(A) IN GENERAL.—Each supervising eth-
 8 ics office shall issue a certificate of divestiture
 9 to each covered individual required to divest
 10 under this subchapter upon submission of proof
 11 of compliance by such individual with the re-
 12 quirements to divest or any extensions granted
 13 by the supervising ethics office.

14 “(B) ELIGIBILITY.—Such certificate shall
 15 include an identification of each specific prop-
 16 erty eligible for the application of the certificate
 17 of divestiture program as determined by the su-
 18 pervising ethics office.

19 “(d) OCCUPATIONAL EXCEPTION.—A spouse or de-
 20 pendent child of a Member of Congress may trade any
 21 covered investment if such covered investment is not
 22 owned by a covered individual and if such trade is per-
 23 formed as a function of the primary occupation of the
 24 spouse or dependent child.

25 “(e) TRUSTS.—

1 “(1) QUALIFIED BLIND TRUST.—Any covered
 2 investment held in a qualified blind trust as defined
 3 in section 13104(f)(3) shall be divested in accord-
 4 ance with subsection (b)(1)(B) by the effective date
 5 established in subsection (b)(2).

6 “(2) FAMILY TRUST.—A supervising ethics of-
 7 fice may grant an exemption for covered investments
 8 held in a family trust only if—

9 “(A) no covered individual—

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

11 “(ii) contributed any covered invest-
 12 ment to the family trust; or

13 “(iii) has any authority over a trustee
 14 of the family trust, including the authority
 15 to appoint, replace, or direct the actions of
 16 such a trustee; and

17 “(B) the grantor of the family trust is or
 18 was a family member of the covered individual.

19 “(3) REQUESTS.—A covered individual seeking
 20 an exemption under paragraph (2) shall submit to
 21 the applicable supervising ethics office a request for
 22 the exemption, in writing, certifying that the condi-
 23 tions described in that paragraph are met.

24 “(f) ASSETS ACQUIRED IN SPECIAL CIR-
 25 CUMSTANCES.—In the event that a covered individual ac-

1 quires a covered investment after the date of enactment
 2 of the Restore Trust in Congress Act other than by pur-
 3 chase (such as by marriage, inheritance, divorce settle-
 4 ment, or other circumstance), the covered individual shall
 5 have 90 days from the date on which such investment was
 6 acquired to divest such covered investment at fair market
 7 value.

8 “(g) EXTENSION.—A supervising ethics office may
 9 grant a covered individual an extension of time to comply
 10 with a divestment deadline under this subchapter if a cov-
 11 ered investment cannot be divested by such deadline due
 12 to low liquidity, vesting schedules, or contractual restric-
 13 tions.

14 “(h) INTERPRETATIVE GUIDANCE.—The supervising
 15 ethics office shall issue interpretive guidance on any rel-
 16 evant term not defined in this subchapter.

17 **“§ 13153. Penalties**

18 “(a) IN GENERAL.—

19 “(1) PENALTIES.—Any covered individual who
 20 violates the restrictions on trading or ownership of
 21 covered investments in section 13152 shall, at the
 22 direction of the supervising ethics office—

23 “(A) pay a fee equal to ten percent of the
 24 value of the covered investment; and

1 “(B) disgorge the profits of any trans-
2 action that violates the provisions of this sub-
3 chapter.

4 “(2) PAYMENT OF PENALTY TO TREASURY.—A
5 penalty imposed under paragraph (1)(B) shall be
6 payable into the Treasury of the United States.

7 “(b) PAYMENT RESTRICTIONS.—A covered individual
8 who is a Senator or a Member of the House of Representa-
9 tives, as applicable, may not pay any of the penalties as-
10 sessed under this section by using amounts from the fol-
11 lowing sources:

12 “(1) If the covered individual is a Senator, the
13 Senators’ Official Personnel and Office Expense Ac-
14 count.

15 “(2) If the covered individual is a Member of
16 the House of Representatives, the Members’ Rep-
17 resentational Allowance.

18 “(3) Any contribution (as defined in section
19 301 of the Federal Election Campaign Act of 1971
20 (52 U.S.C. 30101)) accepted as a candidate (as de-
21 fined in that section), and any other donation re-
22 ceived as support for activities of the covered indi-
23 vidual as a holder of Federal office (as defined in
24 that section).

1 “(c) PUBLICATION.—Each supervising ethics office
2 shall publish on a publicly available website a description
3 of—

4 “(1) each fine assessed by the supervising eth-
5 ics office pursuant to this section;

6 “(2) the reason why each such fine was as-
7 sessed; and

8 “(3) the result of each assessment.”.

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