

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

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

To amend chapter 131 of title 5, United States Code, with respect to prohibited financial transactions, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. MURPHY introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend chapter 131 of title 5, United States Code, with respect to prohibited financial transactions, 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 “Modern Emoluments  
5 and Malfeasance Enforcement Act” or the “MEME Act”.

6 **SEC. 2. SENSE OF CONGRESS.**

7        It is the sense of Congress that—

8            (1) federally elected officials must not utilize  
9            those positions, granted by the trust of the public,  
10            for private financial gain;

1           (2) the issuance, sponsorship, or promotion of  
2           financial instruments by public office holders de-  
3           prives the public of the honest services of the public  
4           office holders, facilitates bribery by investors or pur-  
5           chasers, and results in public exploitation and cor-  
6           rupt foreign influence; and

7           (3) Members of Congress and the executive  
8           branch must not seek to use public office to benefit  
9           financially, but rather those positions should be held  
10          in trust for the benefit of the public in the United  
11          States.

12 **SEC. 3. PROHIBITED FINANCIAL TRANSACTIONS.**

13          (a) FINANCIAL EXPLOITATION BY PUBLIC OFFICE  
14          HOLDERS.—

15               (1) IN GENERAL.—Chapter 131 of title 5,  
16          United States Code, is amended by adding at the  
17          end the following:

18          **“Subchapter IV—Financial Exploitation by**  
19                               **Public Office Holders**

20          **“§ 13151. Definitions**

21               “In this subchapter:

22                       “(1) ADJACENT INDIVIDUAL.—The term ‘adja-  
23                       cent individual’ means—

1           “(A) each officer or employee in the execu-  
2           tive branch holding a Senior Executive Service  
3           position (as defined in section 3132(a)(2));

4           “(B) each member of a uniformed service  
5           whose pay grade is at or in excess of O-7 under  
6           section 201 of title 37;

7           “(C) each officer or employee in any other  
8           position in the executive branch determined by  
9           the Office of the Special Counsel, in consulta-  
10          tion with the Director of the Office of Govern-  
11          ment Ethics, to be of equal classification to a  
12          position described in subparagraph (A) or (B);  
13          or

14          “(D) the spouse or dependent child of any  
15          individual described in subparagraph (A), (B),  
16          or (C).

17          “(2) COVERED ASSET.—The term ‘covered  
18          asset’ means—

19                 “(A) a security (as defined in section 3(a)  
20                 of Securities Exchange Act of 1934 (15 U.S.C.  
21                 78c(a)));

22                 “(B) a security future (as defined in sec-  
23                 tion 3(a) of Securities Exchange Act of 1934  
24                 (15 U.S.C. 78c(a)));

1           “(C) a commodity (as defined in section 1a  
2 of the Commodity Exchange Act (7 U.S.C.  
3 1a));

4           “(D) a digital asset that can be sold for re-  
5 munerated, including a cryptocurrency, a  
6 meme coin, a token, or a non-fungible token; or

7           “(E) any derivative, option, warrant, mu-  
8 tual fund, or exchange-traded fund of an asset  
9 described in subparagraphs (A) through (D).

10           “(3) COVERED INDIVIDUAL.—The term ‘cov-  
11 ered individual’ means—

12           “(A) the President;

13           “(B) the Vice President;

14           “(C) a public official (as defined in section  
15 201(a) of title 18); or

16           “(D) the spouse or dependent child of any  
17 individual described in subparagraph (A), (B),  
18 or (C).

19           “(4) DEPENDENT CHILD.—The term ‘depend-  
20 ent child’ has the meaning given the term in section  
21 13101.

22           “(5) PROHIBITED FINANCIAL TRANSACTION.—  
23 The term ‘prohibited financial transaction’ means  
24 the issuance, sponsorship, or promotion of a covered  
25 asset for pecuniary gain.

1 **“§ 13152. Prohibition on certain transactions**

2 “(a) PROHIBITION.—Except as provided in sub-  
3 section (b), a covered individual or an adjacent individual  
4 may not engage in or benefit from a prohibited financial  
5 transaction—

6 “(1) during the term of service of the covered  
7 individual or adjacent individual;

8 “(2) during the 180-day period ending on the  
9 date on which the service of the covered individual  
10 or adjacent individual commences; or

11 “(3) during the 180-day period beginning on  
12 the date on which the service of the covered indi-  
13 vidual or adjacent individual is terminated.

14 “(b) ADJACENT INDIVIDUALS.—With respect to adja-  
15 cent individuals, nothing in this section shall be construed  
16 to limit the application of section 208 of title 18.

17 “(c) LIABILITY AND IMMUNITY.—For purposes of  
18 any immunities to civil liability, any conduct comprising  
19 or relating to a prohibited financial transaction under this  
20 section shall be deemed an unofficial act and beyond the  
21 scope of the official duties of the relevant covered indi-  
22 vidual or adjacent individual.

23 **“§ 13153. Civil penalties**

24 “(a) CIVIL ACTION.—The Attorney General may  
25 bring a civil action in any appropriate district court of the

1 United States against any covered individual or adjacent  
2 individual who violates section 13152(a).

3 “(b) CIVIL PENALTY.—Any covered individual or ad-  
4 jacent individual who knowingly violates section 13152(a)  
5 shall be subject to a civil monetary penalty of not more  
6 than \$250,000.

7 “(c) DISGORGEMENT.—A covered individual or an  
8 adjacent individual who is found to have violated section  
9 13152(a) in a civil action under subsection (a) of this sec-  
10 tion shall disgorge to the Treasury of the United States  
11 any profit from the unlawful activity that is the subject  
12 of that civil action.”.

13 (2) CLERICAL AMENDMENT.—The table of sec-  
14 tions for chapter 131 of title 5, United States Code,  
15 is amended by adding at the end the following:

“SUBCHAPTER IV—FINANCIAL EXPLOITATION BY PUBLIC OFFICE HOLDERS

“13151. Definitions.

“13152. Prohibition on certain transactions.

“13153. Civil penalties.”.

16 (b) CRIMINAL PENALTIES.—

17 (1) PROHIBITED FINANCIAL TRANSACTIONS.—

18 Chapter 11 of title 18, United States is amended by  
19 inserting after section 220 the following:

20 **“§ 221. Prohibited financial transactions**

21 “(a) DEFINITIONS.—In this section:

22 “(1) ADJACENT INDIVIDUAL.—The term ‘adja-  
23 cent individual’ means—

1           “(A) each officer or employee in the execu-  
2           tive branch holding a Senior Executive Service  
3           position (as defined in section 3132(a)(2) of  
4           title 5);

5           “(B) each member of a uniformed service  
6           whose pay grade is at or in excess of O-7 under  
7           section 201 of title 37;

8           “(C) each officer or employee in any other  
9           position in the executive branch determined by  
10          the Office of the Special Counsel, in consulta-  
11          tion with the Director of the Office of Govern-  
12          ment Ethics, to be of equal classification to a  
13          position described in subparagraph (A) or (B);  
14          or

15          “(D) the spouse or dependent child of any  
16          individual described in subparagraph (A), (B),  
17          or (C).

18          “(2) COVERED ASSET.—The term ‘covered  
19          asset’ means—

20                 “(A) a security (as defined in section 3(a)  
21                 of Securities Exchange Act of 1934 (15 U.S.C.  
22                 78c(a)));

23                 “(B) a security future (as defined in sec-  
24                 tion 3(a) of Securities Exchange Act of 1934  
25                 (15 U.S.C. 78c(a)));

1           “(C) a commodity (as defined in section 1a  
2 of the Commodity Exchange Act (7 U.S.C.  
3 1a));

4           “(D) a digital asset that can be sold for re-  
5 munerated, including a cryptocurrency, a  
6 meme coin, a token, or a non-fungible token; or

7           “(E) any derivative, option, warrant, mu-  
8 tual fund, or exchange-traded fund of an asset  
9 described in subparagraphs (A) through (D).

10           “(3) COVERED INDIVIDUAL.—The term ‘cov-  
11 ered individual’ means—

12           “(A) the President;

13           “(B) the Vice President;

14           “(C) a public official (as defined in section  
15 201(a)); or

16           “(D) the spouse or dependent child of any  
17 individual described in subparagraph (A), (B),  
18 or (C).

19           “(4) DEPENDENT CHILD.—The term ‘depend-  
20 ent child’ has the meaning given the term in section  
21 13101 of title 5.

22           “(5) PROHIBITED FINANCIAL TRANSACTION.—  
23 The term ‘prohibited financial transaction’ means  
24 the issuance, sponsorship, or promotion of a covered  
25 asset for pecuniary gain.



1           “(b) BENEFIT FROM PROHIBITED FINANCIAL  
2 TRANSACTION.—Any covered individual or adjacent indi-  
3 vidual who—

4                   “(1) knowingly violates any provision of section  
5 13152(a) of title 5; and

6                   “(2) through such violation—

7                           “(A) causes an aggregate loss of not less  
8 than \$1,000,000 to 1 or more persons in the  
9 United States; or

10                           “(B) benefits financially, through profit,  
11 gain, or advantage, directly or indirectly  
12 through any family member or business asso-  
13 ciate of the covered individual or adjacent indi-  
14 vidual, from the sale, purchase, or distribution  
15 of the covered asset issued in violation of sec-  
16 tion 13152(a) of title 5,

17 shall be fined under this title or imprisoned for not more  
18 than 5 years, or both.

19           “(c) BRIBERY.—Any covered individual or adjacent  
20 individual who—

21                   “(1) knowingly violates any provision of section  
22 13152(a) of title 5; and

23                   “(2) directly or indirectly, corruptly demands,  
24 seeks, receives, accepts, or agrees to receive or ac-

1       cept any thing of value personally or for any other  
2       person or entity, in return for—

3               “(A) being influenced in the performance  
4       of any official act;

5               “(B) being influenced to commit or aid in  
6       committing, or to collude in, or allow, any  
7       fraud, or make opportunity for the commission  
8       of any fraud, on the United States; or

9               “(C) being induced to do or omit to do any  
10       act in violation of the official duty of such offi-  
11       cial or person,

12 shall be fined under this title or not more than 3 times  
13 the amount of financial gain, if any, that the individual  
14 benefitted from relating to the prohibited conduct, which-  
15 ever is greater, or imprisoned for not more than 15 years,  
16 or both, and may be disqualified from holding any office  
17 of honor, trust, or profit under the United States.

18       “(d) INSIDER TRADING.—Any covered individual or  
19 adjacent individual who knowingly violates section  
20 13152(a) of title 5 and, in committing such violation,  
21 knowingly violates section 10(b) of the Securities Ex-  
22 change Act of 1934 (15 U.S.C. 78j(b)), shall be fined  
23 under this title or not more than 3 times the amount of  
24 financial gain, if any, that the individual benefitted from  
25 relating to the prohibited conduct, whichever is greater,

1 or imprisoned for not more than 15 years, or both, and  
2 may be disqualified from holding any office of honor,  
3 trust, or profit under the United States.

4 “(e) LIABILITY AND IMMUNITY.—For purposes of  
5 any immunities to civil and criminal liability, any conduct  
6 comprising or relating to a prohibited financial transaction  
7 under this section shall be deemed an unofficial act and  
8 beyond the scope of the official duties of the relevant cov-  
9 ered individual or adjacent individual.”.

10 (2) CLERICAL AMENDMENT.—The table of sec-  
11 tions for chapter 11 of title 18, United States Code,  
12 is amended by inserting after the item relating to  
13 section 220 the following:

“221. Prohibited financial transactions.”.