

115TH CONGRESS
1ST SESSION

H. R. 2314

To amend title 5, United States Code, to prohibit certain acts of nepotism,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 3, 2017

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

A BILL

To amend title 5, United States Code, to prohibit certain
acts of nepotism, 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 “Security Clearance
5 Family Review Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Chapter 31 of title 5, United States Code,
9 establishes anti-nepotism laws.

1 (2) The specific purpose of the statute was to
2 prevent nepotism and unfair conduct in Federal hir-
3 ing practices.

4 (3) The White House announced Jared Kush-
5 ner’s Federal employment appointment as senior
6 White House adviser on January 9, 2017.

7 (4) The White House announced Ivanka
8 Trump’s appointment as an official government em-
9 ployee as assistant to the President on March 29,
10 2017.

11 (5) Under section 3110(a)(3) of title 5, United
12 States Code, a daughter or son-in-law constitute a
13 “relative” for purposes of a public official.

14 (6) According to recent reporting by the New
15 York Times, both Mr. Kushner and Ms. Trump re-
16 tain substantial holdings, totaling as much as \$740
17 million, that would be impacted based on a decision
18 made by the Government.

19 (7) Question 20A.1 on United States Govern-
20 ment Standard Form 86 (SF 86), which all appli-
21 cants seeking a security clearance must submit,
22 asks: “Have you, your spouse, or cohabitant ever
23 had any foreign financial interests (such as stocks,
24 property, financial investments, bank accounts, own-
25 ership of corporate entities, corporate interests, or

1 businesses) in which you or they have direct control
2 or direct ownership?''.

3 (8) Question 20A.2 on such Form asks: "Have
4 you, your spouse, cohabitant, or dependent children
5 ever had any foreign financial interests that someone
6 controlled on your behalf?''.

7 (9) Question 20A.3 on such Form asks: "Have
8 you, your spouse, cohabitant, or dependent children
9 ever owned, or do you anticipate owning, or plan to
10 purchase real estate in a foreign country?''.

11 (10) Financial disclosures released on March
12 31, 2017, indicate that while both Mr. Kushner and
13 Ms. Trump have divested from direct leadership
14 roles in their previous businesses and real estate in-
15 terests, their financial wealth remains tied to the
16 success of those ventures by way of various trusts
17 and company holdings.

18 (11) President Trump has repeatedly declined
19 to disclose personal or commercial tax returns or
20 divestiture agreements.

21 (12) Given President Trump's refusal to dis-
22 close tax returns or divestiture agreements, it is dif-
23 ficult to assess whether Mr. Trump's relatives suffi-
24 ciently divested in holdings or are subject to foreign
25 financial influence, including possible loans to the

1 Trump Organization or to Mr. Kushner’s businesses
 2 from state-owned foreign financial entities, including
 3 China’s Anbang Insurance Group and Russia’s
 4 Vnesheconombank.

5 **SEC. 3. LIMITATION ON PROVISION OF SECURITY CLEAR-**
 6 **ANCES TO RELATIVES OF THE PRESIDENT.**

7 (a) LIMITATION ON SECURITY CLEARANCES.—Sec-
 8 tion 3110(a)(1) of title 5, United States Code, is amend-
 9 ed—

- 10 (1) in subparagraph (C) by striking “and”;
- 11 (2) in subparagraph (D) by striking the semi-
- 12 colon and inserting “; and”; and
- 13 (3) by adding at the end the following:
- 14 “(E) for purposes of subsection (f), an of-
- 15 fice, agency, or other establishment within the
- 16 White House or the Executive Office of the
- 17 President;”.

18 (b) PROHIBITION ON SECURITY CLEARANCES TO
 19 RELATIVES OF THE PRESIDENT.—Section 3110 of title
 20 5, United States Code, is amended by adding at the end
 21 the following:

22 “(f) PROHIBITION ON SECURITY CLEARANCES TO
 23 RELATIVES OF THE PRESIDENT.—

24 “(1) IN GENERAL.—Except as provided for
 25 under paragraph (2), an agency, including the De-

1 partment of Defense, may not grant eligibility for
2 access to classified information to a relative of the
3 President for the purposes of Federal employment
4 unless a favorable determination is submitted to the
5 head of the agency pursuant to paragraph (2)(C).

6 “(2) REVIEW PROCESS.—

7 “(A) REQUEST FOR DETERMINATION.—If
8 the President determines that a relative of the
9 President requires access to classified informa-
10 tion for Federal employment, the President
11 shall submit a letter to the Director of the Of-
12 fice of Government Ethics requesting a deter-
13 mination regarding the relative’s suitability for
14 such access.

15 “(B) OGE REVIEW.—The Director shall
16 conduct a review to determine whether the ap-
17 plicable relative has any ongoing and substan-
18 tial commercial relationships with state-owned
19 or privately owned foreign enterprises or finan-
20 cial institutions and, if so, whether the relative
21 is ineligible for access to security clearance be-
22 cause of such relationships.

23 “(C) SUBMISSION.—Not later than 60
24 days after receipt of a letter under subpara-

1 graph (A), the Director shall submit the deter-
2 mination made under subparagraph (B) to—
3 “(i) the President;
4 “(ii) the head of the employing agency
5 of the relative; and
6 “(iii) the Committee on Foreign Af-
7 fairs, the Committee on Armed Services,
8 and the Permanent Select Committee on
9 Intelligence of the House of Representa-
10 tives.”.

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