SUMMARY

**The Stop Trading on Congressional Knowledge Act - The “STOCK” Act**

On April 4, 2012, the President signed the Stock Act. The Act prohibits Members of Congress from using nonpublic government information to profit from stock trades (insider trading).

The law also imposes new requirements upon the Executive Branch outlined below.

**Home Mortgage Reporting--*Effective April 4, 2012***

Requires disclosure of personal residence mortgage, ***but only for PAS – Presidential appointees confirmed by the Senate, and flag and general officers O-7 and above***—**NOT SES**.

Mortgage information should be reported on Schedule C, Part I of the OGE Form 278. The information required to be disclosed includes: Name of lender, loan terms and conditions, and a notation if the mortgage is on a personal residence. Filersare ***not*** required to disclose the location of their residence. If the residence does not produce rental income, do not report it on Schedule A.

**Prompt Transaction Reporting (For all OGE-278 Filers)--*Effective July 3, 2012***

Mandates disclosure of **stock trades**, *no later than* ***30 days*** *after “receiving notification” of the transaction or* ***45 days*** *after the actual transaction.* Most mutual funds/EIFs need not be reported. OGE has developed a form on which to report transactions. There is not a corresponding form in FDM. 278-Ts will be uploaded to the most recent OGE 278 on file in FDM. The transaction reporting does not apply to a widely held investment fund (whether such fund is a mutual fund, regulated investment company, pension or deferred compensation plan, or other investment fund), if 1) the fund is publicly traded or the assets of the fund are widely diversified; and, (2) the reporting individual neither exercises control over nor has the ability to exercise control over the financial interests held by the fund.

**Agency Website Posting of Public Financial Disclosure Reports—*Repealed April 2013***

Requirement that allOGE 278 reports, extension requests, and stock transactions throughout the year be posted to an agency website within 30 days of filing has been repealed for most filers (PL 113-7). However, certain very high level filers (notably, SA) still must be posted. IMPORTANT: These are still publicly available on request using the OGE Form 201. Avoid over-reporting of personal information. See SOCO handout on information to avoid reporting on the 278 report.

**New Disclosure Requirement for Negotiating Future Employment OR Compensation--*Effective April 4, 2012***

Requires that all OGE-278 filers must submit statements to their ethics office regarding discussions for future employment OR compensation within *3 business days* of commencing discussions. Filers must also recuse in writing**.**

**OGE System for Electronic Filing of Financial Disclosure Reports--*Effective January 2014.***

Directs OGE to develop a system for electronic filing of public financial disclosure reports. FDM is already used widely in DoD and by some FEDCIV agencies; OGE has indicated that it will not use FDM and that they anticipate having their system (“eFEDS”) online for public filers as of January 2014 and for confidential filers as of January 2015. Until the OGE system is available, Army mandates use of FDM for Army financial disclosure filers.