

# United States Senate

SELECT COMMITTEE ON ETHICS  
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## Periodic Transaction Requirements

The Stop Trading on Congressional Knowledge Act of 2012 (STOCK Act) requires Senators and “senior staff” (earning \$119,554 or more in CY 2012) to periodically disclose certain financial transactions, and this memorandum outlines how to comply with the new requirements. If you have any questions, please contact the Ethics Committee at (202) 224-2981.

**What is the new requirement?** Beginning on **July 3, 2012**, Senators and senior staff must promptly report any purchase, sale, or exchange of any stock, bond, commodities future, and other securities if the transaction exceeds \$1,000.

**When must a transaction be disclosed?** Senators and senior staff must disclose any transaction exceeding \$1,000 no later than 30 days after receiving “notification” of the transaction, but in no case later than 45 days after such transaction. Notification occurs when a filer receives a written communication that a transaction has occurred, such as when a Senator or senior staffer receives an email or other written confirmation from his or her broker or financial advisor, or when a filer receives a monthly account statement. An email will be deemed to be received when sent. For example, if a Senator contacts her broker to initiate the sale of a stock on August 16, the broker completes the transaction on August 17, and emails confirmation to the Senator the same day, the Senator must report the transaction by September 16 – 30 days after the email confirmation.

**What transactions must be disclosed?** Senators and senior staff must disclose not only their own transactions that meet the threshold, but they must also disclose those of their spouses and dependent children. Certain assets are *excluded* from this new requirement. Senators and senior staff are **not** required to report periodically any transactions involving mutual funds, exchange traded funds, or any other asset that is an excepted investment fund (EIF) (see the financial disclosure report instructions for the definition of an EIF); holdings in a blind trust; real property; cash accounts (*e.g.*, checking, savings, and money markets); U.S. Treasury bonds, bills, and notes; pensions; and any asset that is solely incidental to the trade or business of an entity.

**How do I disclose a transaction?** A *Periodic Disclosure of Financial Transactions* form and accompanying instructions are available on the Ethics Committee Web site. Senators and senior staff must submit the form to Office of Public Records. All of these transactions must *also* be reported on the annual financial disclosure report.