

U.S. Sen. Baldwin: Re-introduces expanded legislation to slow the revolving door between Wall Street, corporate America and Washington

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WASHINGTON, D.C. – U.S. Senator Tammy Baldwin and House Committee on Oversight and Government Reform Chair Elijah Cummings (D-MD) today introduced the *Executive Branch Conflict of Interest Act* to slow the revolving door between corporate America, Wall Street and Washington, prohibit “government service golden parachute” bonus payouts and combat conflicts of interest. This legislation expands on Baldwin and Cummings’ *Financial Services Conflict Of Interest Act*, first introduced in 2015, which aimed to slow the revolving door between Wall Street and financial regulatory agencies in the federal government.

“President Trump promised to ‘drain the swamp,’ but this revolving door keeps spinning,” **said Senator Baldwin.** “When Wall Street insiders, corporate executives and long-term industry lobbyists move through the revolving door from the private sector to public service and back again, they should not be rewarded with big bonuses and a free pass to rewrite the rules to benefit corporate special interests that already have too much power in Washington. Let’s stop the revolving door and make sure that government officials are working on behalf of the public interest and our common good, not powerful special interests.”

“The Executive Branch Conflict of Interest Act will make sensible changes to

strengthen ethics requirements and prevent conflicts of interest that arise when officials use their position in the government to benefit a former or future employer,” **said Chairman Cummings.** “The bill will slow down the revolving door so the American people can be sure that their government is working for the public good, and not special interests.”

Conflicts of interest are on the rise during the Trump Administration across all levels of the Executive Branch. Currently, President Trump’s cabinet includes a former coal industry lobbyist leading the Environmental Protection Agency as well as the former CEO of a pharmaceutical company in charge of the Department of Health and Human Services. As of July 2018, there were 164 former lobbyists serving in the Trump Administration, more than double the number that served during the entire Obama Administration.

“It spins both ways: an influence-peddling scheme favored by wealthy special interests that flows both into, and out of, government,” **said Craig Holman, PhD, of Public Citizen.** “Welcome to the pernicious problem of the revolving door. Special interests seek control over the governmental agencies that oversee them both by stacking the agencies with their own senior employees, and by dangling prospects of lucrative employment for regulators once they leave government service. Sen. Baldwin’s and Rep. Cummings’ anti-revolving door legislation – the Executive Branch Conflict of Interest Act – is strong legislation designed specifically to arrest this regulatory capture. This is a genuine ‘drain the swamp’ remedy.”

To slow the revolving door and help ensure that conflicts of interest do not erode the effectiveness of government regulators, the *Executive Branch Conflict of Interest Act* would:

- **Outlaw Bonuses for Government Work:** Prohibits a government employee from accepting a bonus from his or her former private sector employer for entering government service.
- **Expand Cooling Off Periods & Tightens Lobbying Rules:** Increases the prohibition on lobbying the federal government from one to two years and expands the definition of “lobbying contact” to include any lobbying activities and strategy. Prohibits procurement officers in the federal government from working for a company that received a contract overseen by the procurement officer during the officer’s last two years in government service.
- **Reduce Conflicts of Interest:** Requires senior government employees to recuse themselves from any official actions that directly or substantially

benefit the former employer or client(s) for whom they worked in the previous two years before joining federal service.

The *Executive Branch Conflict of Interest Act* is supported by American Oversight, Campaign for Accountability, Center for Biological Diversity, Citizens for Responsibility and Ethics in Washington Coalition to Preserve, Protect & Defend Corporate Accountability, Democracy 21, End Citizens United Action Fund, Equal Justice Society, Norman J. Ornstein, People Demanding Action, Prof. James A. Thurber, Project on Government Oversight, Protect Democracy, Public Citizen, Stand Up America, Sunlight Foundation and Take On Wall Street.

Full text of the legislation is available [here](#). A summary of the legislation is available [here](#).

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