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Warren, Stansbury, Democratic Leaders Introduce Bill to Rein in Musk, Special Government Employees (SGEs)

Bill would expand existing ethics rules to apply to SGEs, strengthen conflict of interest rules, increase transparency

[Bill Text \(PDF\)](#) | [Bill Summary \(PDF\)](#)

Washington, D.C. – U.S. Senator Elizabeth Warren (D-Mass.) and Representative Melanie Stansbury (D-N.M.) introduced the *SGE Ethics Enforcement & Reform (SEER) Act*, a bill to strengthen transparency and ethics requirements for Special Government Employees (SGEs). The bill would rein in Elon Musk by restricting certain SGEs from officially communicating with agencies and offices that regulate or contract with large companies owned by the SGE.

Senate Minority Leader Chuck Schumer (D-N.Y.), along with Senators Gary Peters (D-Mich.), Richard Blumenthal (D-Conn.), Mazie Hirono (D-Hawaii), Chris Van Hollen (D-Md.), Ben Ray Luján (D-N.M.), Jeff Merkley (D-Ore.), Alex Padilla (D-Calif.), Adam Schiff (D-Calif.), Peter Welch (D-Vt.), and Mark Kelly (D-Ariz.), joined in cosponsoring the bill.

Representatives Stephen Lynch (D-Mass.), Eleanor Holmes Norton (D-D.C.), Betty McCollum (D-Minn.), and Rashida Tlaib (D-Mich.) cosponsored the House version of the bill.

“Unelected billionaire Elon Musk should not be acting as co-president of the United States and making \$8 million a day from government contracts while he’s at it. My new bill would crack down on conflicts of interest and create stronger ethics rules for Elon Musk and all Special Government Employees. Government should work for the American people, not billionaires lining their own pockets,” **said Senator Warren.**

“For months Elon Musk has dismantled federal agencies, fired thousands of federal workers, data-mined American data, and set himself up to make billions of dollars in federal contracts—all while acting as a Special Government Employee. Never again can we allow such blatant abuses of power to happen,” **said Rep. Melanie Stansbury (D-N.M.).** “That is why I am proud to introduce the SEER Act with Senator Elizabeth Warren to ensure the Trump Administration and people like Elon Musk cannot take advantage of the system and that there are strict rules and legal consequences in place to hold them accountable.”

Special Government Employees (SGEs) are temporary federal employees with a limit of 130 work days per year. Unlike regular employees, SGEs typically maintain jobs outside of the government and can be paid by an outside entity for the time they spend working for the federal government. SGEs are also not required to publicly disclose their financial interest, unless they are classified above the GS-15 level and serve for longer than 60 days.

Elon Musk and various members of the Department of Government Efficiency (DOGE) are designated as SGEs, allowing them to be paid by private companies while they work to dismantle federal agencies. Musk specifically is an SGE at the White House and does not have to recuse himself from

matters impacting his own multi-billion-dollar companies as long as his work does not meet the relatively narrow definition of a “particular matter” (as defined by Office of Government Ethics regulations).

This new bill would bar Musk from communicating with the Space Force and other agencies that interface with his companies, including the CFPB and the NLRB, which have reviewed and investigated complaints about Tesla. The bill would also block Musk from participating in portions of projects that he has a financial interest in, and would require him to file a public financial disclosure form.

Generally, the *SEER Act* includes reforms to:

- **Expand existing ethics rules to apply to SGEs:** This bill makes SGEs subject to most standard ethics rules starting on their 61st day in government, and rules on outside compensation after their 130th day.
- **Strengthen conflict-of-interest rules for SGEs:**
 - Prohibits any SGE who owns or leads a billion-dollar company, or a company with large federal contracts or monopolistic market power, from communicating, in their official capacity, with agencies that contract with, regulate, or conduct enforcement actions against their company;
 - Requires SGEs to resolve a broader range of conflicts of interest raised by government work that would directly and predictably affect their non-government employers; and
 - Requires OGE to agree before issuing a conflict-of-interest waiver to an SGE.
 - Hold SGE chairs and vice chairs of advisory committees to a tougher standard for receiving a conflict-of-interest waiver.
- **Increase transparency surrounding SGE classification and SGE financial interests:**
 - Allow public access to the financial disclosures of SGEs without requiring the public to request disclosure;
 - Allow public access to conflict-of-interest waivers; and
 - Requires the Office of Personnel Management to maintain a public database of SGEs, including the number of days served as an SGE and the reason for their classification as an SGE instead of a regular employee.

“The Trump Administration’s use of this special designation to install people with potential conflicts in high-level government jobs with no accountability may have begun with Elon Musk – but it goes way beyond Musk. The public now has no way to know whether special government employees who don’t file public financial disclosure reports or are empowered to oversee themselves are putting the people’s interests ahead of their own,” **said Jon Golinger, Democracy Advocate at Public Citizen.** “Public Citizen strongly supports the *SEER Act* to close these loopholes and ensure that anti-corruption rules apply to special government employees, strengthen conflict-of-interest barriers to prevent financial self-dealing or misuse of insider information, and shine sunlight with financial disclosure so the public knows who has been given the power and privilege of doing the people’s business.”

“Special Government Employees (SGEs) may be able to hold jobs outside of government, but they should not be allowed to operate outside of the bounds of ethics or transparency rules” **said Debra Perlin, Vice President for Policy at Citizens for Responsibility and Ethics in Washington (CREW).** “Senator Warren’s *SGE Ethics Enforcement and Reform Act* would require SGEs to abide by ethics rules similar to those in place for other federal employees and ensure transparency around who is classified as an SGE and what their conflicts of interest may be. This will help ensure that the work of Special Government Employees serves the American people, and not personal financial interests.”

This bill is endorsed by Public Citizen, Citizens for Responsibility and Ethics in Washington (CREW), Project On Government Oversight (POGO), State Democracy Defenders, Campaign Legal Center, American Federation Of Government Employees (AFGE), and the National Treasury Employees Union (NTEU).

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