

Selected Statutes

§203. Compensation to Members of Congress, officers, and others in matters affecting the Government

(a) Whoever, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly—

(1) demands, seeks, receives, accepts, or agrees to receive or accept any compensation for any representational services, as agent or attorney or otherwise, rendered or to be rendered either personally or by another—

(A) at a time when such person is a Member of Congress, Member of Congress Elect, Delegate, Delegate Elect, Resident Commissioner, or Resident Commissioner Elect; or

(B) at a time when such person is an officer or employee or Federal judge of the United States in the executive, legislative, or judicial branch of the Government, or in any agency of the United States,

in relation to any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest, before any department, agency, court, court-martial, officer, or any civil, military, or naval commission; or

(2) knowingly gives, promises, or offers any compensation for any such representational services rendered or to be rendered at a time when the person to whom the compensation is given, promised, or offered, is or was such a Member, Member Elect, Delegate, Delegate Elect, Commissioner, Commissioner Elect, Federal judge, officer, or employee; shall be subject to the penalties set forth in section 216 of this title.

§502. Limitations on outside employment

(a) Limitations.—A Member or an officer or employee who is a noncareer officer or employee and who occupies a position classified above GS–15 of the General Schedule or, in the case of positions not under the General Schedule, for which the rate of basic pay is equal to or greater than 120 percent of the minimum rate of basic pay payable for GS–15 of the General Schedule shall not—

(1) receive compensation for affiliating with or being employed by a firm, partnership, association, corporation, or other entity which provides professional services involving a fiduciary relationship;

(2) permit that Member's, officer's, or employee's name to be used by any such firm, partnership, association, corporation, or other entity;

(3) receive compensation for practicing a profession which involves a fiduciary relationship;

(4) serve for compensation as an officer or member of the board of any association, corporation, or other entity; or

(5) receive compensation for teaching, without the prior notification and approval of the appropriate entity referred to in section 503.

§208. Acts affecting a personal financial interest

(a) Except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch of the United States Government, or of any independent agency of the United States, a Federal Reserve bank director, officer, or employee, or an officer or employee of the District of Columbia, including a special Government employee, participates personally and substantially as a

Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest—

Shall be subject to the penalties set forth in section 216 of this title.

Selected Statutes in Lay Terms

18 U.S.C. § 203 prohibits an executive branch employee from receiving any legal fees, partnership share, bonuses, or any other form of compensation derived from representational services of others in matters before the executive branch or the courts when the United States is a party or has a direct and substantial interest. This bar applies to **representations while the person is an executive branch employee**, regardless of whether the person receives the funds during or after Government service.

5 U.S.C. app. § 502 prohibits receipt of any compensation for certain activities. Covered noncareer employees may not:

- receive compensation for affiliating with or being employed by an entity such as a partnership or corporation that provides professional services involving a fiduciary relationship;
- receive outside compensation for practicing a profession that involves a fiduciary relationship; or
- serve for compensation as an officer or director/member of the board of a corporation, association, or other entity.

5 U.S.C. app. § 502 also prohibits covered noncareer employees from allowing their name to be used by a business that provides professional services involving a fiduciary relationship.

18 U.S.C. § 208 prohibits an executive branch employees from participating personally and substantially in a particular Government matter that will affect their own financial interests, as well as the financial interests of:

- Their spouse or minor child;
- Their general partner;
- An organization in which they serve as an officer, director, trustee, general partner or employee; and
- A person with whom they are negotiating for or has an arrangement concerning prospective employment.