



August 13, 2025

The Hon. Jamieson Greer  
Acting Director  
U.S. Office of Government Ethics  
250 E Street, S.W., Suite 750  
Washington, D.C. 20024

Loren Sciarba  
Deputy Inspector General  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue N.W.  
Washington, D.C. 20220

Dear Amb. Greer and Deputy Inspector General Sciarba:

Democracy Defenders Fund (“DDF”) and Campaign Legal Center (“CLC”) respectfully request that you investigate Secretary Scott Bessent’s apparent continued ownership of various financial investments—including several private equity funds, private companies, cryptocurrency exchange-traded products, and investments in farm land—despite his explicit commitment to sell these assets within 90 days of assuming government service.<sup>1</sup> Despite an opaque statement made over 100 days ago in May that the Secretary “initiated” but has “not yet completed” these divestitures,<sup>2</sup> to date there is no evidence that the Secretary has sold these assets.<sup>3</sup> As described further below, the Secretary’s apparent failure to divest these assets violates his Ethics Agreement. In addition, several actions taken by the Secretary over the past six months suggest

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<sup>1</sup> Letter from Scott Bessent to Brian J. Sonfield, Designated Agency Ethics Official, Department of Treasury § 6 (January 9, 2025), [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/\\$FILE/Bessent%20C%20Scott%20%20AMENDED\(2\)finalEA.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/$FILE/Bessent%20C%20Scott%20%20AMENDED(2)finalEA.pdf) (“Ethics Agreement”).

<sup>2</sup> SCOTT BESENT, CERTIFICATE OF ETHICS AGREEMENT COMPLIANCE § 3 (MAY 2, 2025), [https://extapps2.oge.gov/201/PRESIDEN.NSF/PAS+INDEX/1C3612BFD4B4B91C85258CC9002C1E57/\\$FILE/BESENT%20EA%20COMPLIANCE%20CERTIFICATION.PDF](https://extapps2.oge.gov/201/PRESIDEN.NSF/PAS+INDEX/1C3612BFD4B4B91C85258CC9002C1E57/$FILE/BESENT%20EA%20COMPLIANCE%20CERTIFICATION.PDF) (“CERTIFICATE OF ETHICS AGREEMENT COMPLIANCE”).

<sup>3</sup> U.S. Office of Government Ethics, *Official’s Individual Disclosures Search Collection*, <https://www.oge.gov/web/OGE.nsf/Officials%20Individual%20Disclosures%20Search%20Collection?OpenForm> (Last visited August 12, 2025) (“OGE Disclosure Collection”). Secretary Bessent is a public financial disclosure filer and is required to report divestitures of all securities, including cryptocurrency that qualifies as a security, through a Periodic Transaction Report (OGE Form 278-T). 5 U.S.C. § 13105(l); OGE Legal Advisory LA-18-06 (2018); U.S. OFFICE OF GOVERNMENT ETHICS, PUBLIC FINANCIAL DISCLOSURE GUIDE, FAQs: TRANSACTION (OGE FORM 278 AND OGE FORM 278-T), [https://www.oge.gov/web/278eGuide.nsf/FAQs#\\_FAQs:Transactions\\_\(OGE\\_Form\\_278e\)](https://www.oge.gov/web/278eGuide.nsf/FAQs#_FAQs:Transactions_(OGE_Form_278e)).

the potential for improper conflicts of interest arising from his continued ownership of these assets.

CLC previously requested that the U.S. Office of Government Ethics (“OGE”) investigate whether Secretary Bessent has violated the criminal conflict of interest statute, 18 U.S.C. § 208(a), and to compel his compliance with his Ethics Agreement.<sup>4</sup> DDF and CLC respectfully renew the request that OGE investigate Secretary Bessent for potential violations of the ethics laws and take enforcement action to compel his compliance with his Ethics Agreement. In addition, DDF and CLC respectfully request that the Treasury Department’s Office of Inspector General separately initiate an investigation to determine whether Secretary Bessent has violated any conflict-of-interest laws by virtue of continuing to hold assets he agreed to divest.

### **Background**

On January 9, 2025, Treasury Secretary Bessent signed an Ethics Agreement committing to sell twenty-eight assets, including Presight RV Co-Invest Fund, LP; Half Acre WSW, LLC; Cambrian Biopharma; iShares Bitcoin Trust ETF; Verizon Communications; Archer Daniels Midland; and High Plains Acres, LLP, within 90 days of taking office.<sup>5</sup> The OGE relied on those statements when certifying his nominee public financial disclosure form and submitting it to the Senate, and the Senate relied on the statements Secretary Bessent made in that Agreement as part of carrying out their Constitutional obligation to provide advice and consent on presidential nominees.<sup>6</sup> Several Senators on the Finance Committee specifically asked about Secretary Bessent’s ability to adhere to the ethics laws through Questions for the Record (“QFRs”) following his confirmation hearing.<sup>7</sup> In response to one of those QFRs, Secretary Bessent stated:

As part of my confirmation process, I have worked with officials from the Treasury Department and the Office of Government Ethics to prevent any conflicts of interests and items that might give rise to the appearance of a conflict of interest during my tenure, should I be confirmed. As part of that process, I have consented to an ethics agreement, resigned from positions, and divested a number of assets where legally and ethically necessary or appropriate. The only assets I will retain throughout my tenure, if confirmed, will be assets that are legally permissible under the relevant ethics laws.<sup>8</sup>

Secretary Bessent thereafter reiterated that he was aware of his responsibility to adhere to that agreement seven additional times in his responses to the QFRs.<sup>9</sup>

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<sup>4</sup> Letter from Campaign Legal Center to Hon. Jamieson Greer, Acting Director, U.S. Office of Government Ethics (July 9, 2025), <https://campaignlegal.org/sites/default/files/2025-07/Bessent%20OGE%20Complaint.pdf> (“CLC Letter”).

<sup>5</sup> Ethics Agreement § 6.

<sup>6</sup> U.S. OFFICE OF GOVERNMENT ETHICS, GUIDE TO DRAFTING NOMINEE ETHICS AGREEMENTS APPENDIX B (Oct. 2024).

<sup>7</sup> Responses to Questions for the Record from Scott Bessent to U.S. Senate Comm. on Fin. (Jan. 16, 2025), [https://www.finance.senate.gov/imo/media/doc/responses\\_to\\_questions\\_for\\_the\\_record\\_to\\_scott\\_bessent.pdf](https://www.finance.senate.gov/imo/media/doc/responses_to_questions_for_the_record_to_scott_bessent.pdf).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

Secretary Bessent was sworn into government service on January 28, 2025.<sup>10</sup> As a result, he would have had to sell assets he agreed to divest within 90 days by April 28, 2025. It is now over 190 days after the date he entered government service, and more than 100 days since he was required to come into compliance with his Ethics Agreement divestiture responsibilities. To date, Secretary Bessent has not filed a single document suggesting that he has divested any of the assets he agreed to divest. Instead, Secretary Bessent submitted a *Certificate of Ethics Agreement Compliance* on May 2, 2025—four days *after* he was required to comply with his Ethics agreement—in which he effectively stated that (1) he had not completed any divestitures that were required (2) he had not filed any periodic financial disclosure reports covering the sale, purchase, or exchange of any assets, including those he was required to divest (3) he had not disposed of the assets in a way that didn’t require filing of a public financial disclosure report.<sup>11</sup>

Then, on June 5—over a month after he was required to effectuate the divestitures of his investments—Secretary Bessent filed a request to modify his ethics agreement to allow him to keep his interest in three assets: Presight RV Co-Invest Fund, LP; Half Acre WSW, LLC; and Cambrian Biopharma.<sup>12</sup> Now, two months later, Secretary Bessent has neither filed an updated Certificate of Ethics Agreement Compliance nor are there any public financial disclosure reports available through OGE’s website suggesting he has. Rather, on July 25, after CLC sent a letter to OGE asking it to enforce the Secretary’s Ethics Agreement,<sup>13</sup> OGE re-published the Secretary’s Certificate of Ethics Agreement Compliance with a cover note stating that “[a]gency ethics officials indicated that an additional amendment is forthcoming.”<sup>14</sup>

As the head of a Cabinet-level Department, Secretary Bessent is responsible not only for personally adhering to the ethics laws but also exercising leadership over the ethics program and “fostering an ethical culture in the agency.”<sup>15</sup> It is therefore deeply concerning that Secretary Bessent has effectively shrugged off his ethics commitments to date. The Senate and the American people rely on commitments made by presidential appointees in their Ethics Agreements. These commitments are aimed at protecting the integrity of government operations, as well as removing the incentive for appointees to act for their personal interests as opposed to the public’s interests. Secretary Bessent’s continued deferral of his ethics obligations raises serious concerns about whether he is complying with the ethics laws or not.

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<sup>10</sup> U.S. Department of the Treasury, Biography of Scott Bessent (last visited August 7, 2025), <https://home.treasury.gov/about/general-information/officials/scott-bessent>.

<sup>11</sup> SCOTT BESENT, CERTIFICATE OF ETHICS AGREEMENT COMPLIANCE § 3 (MAY 2, 2025), [HTTPS://EXTAPPS2.OGE.GOV/201/PRESIDEN.NSF/PAS+INDEX/1C3612BFD4B4B91C85258CC9002C1E57/\\$FILE/BESENT%20EA%20COMPLIANCE%20CERTIFICATION.PDF](https://extapps2.oge.gov/201/PRESIDEN.NSF/PAS+INDEX/1C3612BFD4B4B91C85258CC9002C1E57/$FILE/BESENT%20EA%20COMPLIANCE%20CERTIFICATION.PDF) (“CERTIFICATE OF ETHICS AGREEMENT COMPLIANCE”).

<sup>12</sup> Letter from Scott Bessent to Mark A. Vetter, Alternate Designated Agency Ethics Official, Department of Treasury (June 5, 2025), [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/\\$FILE/Bessent%20C%20Scott%20%20AMENDED\(2\)finalEA.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/$FILE/Bessent%20C%20Scott%20%20AMENDED(2)finalEA.pdf).

<sup>13</sup> CLC Letter.

<sup>14</sup> U.S. OFFICE OF GOVERNMENT ETHICS, STATEMENT REGARDING SCOTT BESENT’S CERTIFICATION OF ETHICS AGREEMENT COMPLIANCE (JULY 25, 2025), [HTTPS://EXTAPPS2.OGE.GOV/201/PRESIDEN.NSF/PAS+INDEX/4E4DFD398664574085258CD3002C238D/\\$FILE/BESENT%20EA%20COMPLIANCE%20CERTIFICATION%20AND%20OGE%20STATEMENT.PDF](https://extapps2.oge.gov/201/PRESIDEN.NSF/PAS+INDEX/4E4DFD398664574085258CD3002C238D/$FILE/BESENT%20EA%20COMPLIANCE%20CERTIFICATION%20AND%20OGE%20STATEMENT.PDF).

<sup>15</sup> 5 C.F.R. § 2638.107.

## **Secretary Bessent Was Required to Enter into an Ethics Agreement and Comply with the Commitments Set out in that Agreement**

As a presidentially appointed nominee, Secretary Bessent was required to file a financial disclosure report and enter into an ethics agreement as part of his nomination process.<sup>16</sup> An Ethics Agreement is an “oral or written promise by a reporting individual to undertake specific actions in order to alleviate an actual or apparent conflict of interest.”<sup>17</sup> Nominees enter into written ethics agreements with their agencies and OGE.<sup>18</sup> “[T]he agreement is a contract between the nominee and the agency that memorializes key ethics commitments of the nominee and clearly details how any ethics issues will be resolved.”<sup>19</sup> As OGE explains in its *Guide to Drafting Nominee Ethics Agreements*:

The ethics agreement is an agreement between the PAS nominee, the agency, and OGE. In addition, the United States Senate relies on the commitments reflected in the ethics agreement when making a decision to confirm the PAS nominee. For this reason, the agency and the PAS nominee may not rescind a commitment in an ethics agreement, such as an agreement to divest an asset, without first obtaining OGE’s approval.<sup>20</sup>

Once approved by OGE, “the Senate committee with jurisdiction over the nomination receives a copy of this agreement so that Senators can understand the nominee's potential conflicts of interest or other ethics concerns.”<sup>21</sup> Commitments made in an ethics agreement must be met within 90 days, unless OGE has determined that “unusual hardship” exists.<sup>22</sup> Given the Senate’s reliance on a nominee’s ethics agreement “[a]ny ethics agreement approved by the Office of Government Ethics during its review of a nominee's financial disclosure report may not be modified without prior approval from the Office of Government Ethics.”<sup>23</sup> OGE has stated that it “generally will not permit an amendment to an ethics agreement because a nominee changed their mind about divestiture or agreed to divest an asset without fully understanding the divestiture process.”<sup>24</sup>

Failure to abide by an Ethics Agreement can have several repercussions. First, an employee who fails to abide by their ethics agreement may violate the underlying conflict of interest laws the agreement was set up to avoid in the first instance. Second, OGE has declined to certify the financial disclosure reports of officials, such as former Treasury Secretary Steven

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<sup>16</sup> 5 U.S.C. § 13103(b)(1); 5 C.F.R. §§ 2634.201(c)(1), 2634.605(c).

<sup>17</sup> 5 C.F.R. § 2634.802(a).

<sup>18</sup> Id. at § 2634.605(c).

<sup>19</sup> OGE Legal Advisory LA-23-15 (2023).

<sup>20</sup> U.S. OFFICE OF GOVERNMENT ETHICS, GUIDE TO DRAFTING NOMINEE ETHICS AGREEMENTS APPENDIX B (OCT. 2024).

<sup>21</sup> OGE Legal Advisory LA-23-15 (2023); 5 C.F.R. § 2634.605(c).

<sup>22</sup> 5 U.S.C. § 13111(a); 5 C.F.R. 2634.802(b).

<sup>23</sup> 5 C.F.R. § 2634.803(a)(4); Executive Branch Financial Disclosure, Qualified Trusts, and Certificates of Divestiture, 83 FR 33980, 34004 (2018) (Final Rule).

<sup>24</sup> OGE Legal Advisory LA-23-15 (2023).

Mnuchin and former Commerce Secretary Wilbur Ross, for violating the terms of their ethics agreements.<sup>25</sup>

To date, there is no evidence that Secretary Bessent has taken action to adhere to his Ethics Agreement. The only action he has taken has been to modify the agreement to allow him to keep three assets he had agreed to divest.<sup>26</sup> The Department of Treasury's ethics office explained that this was appropriate because "no risk reasonably exists" that these assets would create a conflict of interest.<sup>27</sup> Yet, as described below, it appears that Secretary Bessent has engaged in a variety of actions over the past six months that might have constituted a conflict of interest with at least a subset of these assets. As a result, DDF and CLC ask that (1) OGE deny the Secretary's request to modify his agreement, and (2) enforce his requirement to divest all assets he agreed to sell on January 9, 2025.

### **Secretary Bessent is Required to Adhere to the Financial Conflict of Interest Law**

As an officer of the United States, Secretary Bessent is required to adhere to the federal conflict of interest laws.<sup>28</sup> Principally amongst such laws is 18 U.S.C. § 208, the financial conflict of interest law. Pursuant to 18 U.S.C. § 208(a), it is unlawful for any employee of the "executive branch" to participate personally and substantially in any "particular matter,"<sup>29</sup> in which, to his or her knowledge, the employee, employee's spouse or dependent child, or certain organizations, have a "financial interest."<sup>30</sup> The statute imposes a broad and "objective standard of conduct which is directed not only at dishonor, but also at conduct which tempts dishonor."<sup>31</sup> As the Fifth Circuit said in *U.S. v. Nevers*, the "statute clearly and unambiguously

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<sup>25</sup> Letter from the Emory A. Rounds, III, Director, U.S. Office of Government Ethics, to Hon. Charles E. Grassley, Chairman, Senate Committee on Finance (April 4, 2019), <https://www.finance.senate.gov/imo/media/doc/Mnuchin,%20Steven%20%20finalAMENDMENTsenatetr1.pdf>; Carrie Levine, *Ethics Watchdog Won't Certify Mnuchin Report, But Says Questions Raised By His Wife's Company Now Addressed*, CENTER FOR PUBLIC INTEGRITY (April 4, 2019), <https://publicintegrity.org/politics/ethics-watchdog-wont-certify-mnuchin-report-but-says-questions-raised-by-his-wifes-company-now-addressed/>; Meredith Lerner, *Mnuchin's Financial Disclosure the Third Ethics Watchdog Refused to Certify*, CITIZENS FOR RESPONSIBILITY AND ETHICS IN WASHINGTON (April 4, 2019), <https://www.citizensforethics.org/reports-investigations/crew-investigations/mnuchins-financial-disclosure-third-ethics-watchdog-refused-to-certify/>.

<sup>26</sup> Letter from Scott Bessent, Secretary of the Treasury, to Mark A. Vetter, Alternate Designated Agency Ethics Official, Department of the Treasury (June 5, 2025), [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/\\$FILE/Bessent%20C%20Scott%20%20AMENDED\(2\)finalEA.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/$FILE/Bessent%20C%20Scott%20%20AMENDED(2)finalEA.pdf).

<sup>27</sup> Letter from Mark A. Vetter, Alternate Designated Agency Ethics Official, Department of the Treasury, to Hon. Jamieson Greer, Acting Director, U.S. Office of Government Ethics (July 15, 2025), [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/\\$FILE/Bessent%20C%20Scott%20%20AMENDED\(2\)finalEA.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/374699921973EC3385258C0F0033701B/$FILE/Bessent%20C%20Scott%20%20AMENDED(2)finalEA.pdf).

<sup>28</sup> See, e.g., 18 U.S.C. §§ 202(c), 203, 205, 207, 208, 209; 5 C.F.R. § 2635.102(h); 5 C.F.R. § 2640.102(b).

<sup>29</sup> As OGE has advised, the term "particular matter" "covers two categories of matters: "(1) those that involve specific parties . . . and (2) those that do not involve specific parties but at least focus on the interests of a discrete and identifiable class of persons, such as a particular industry or profession." OGE Inf. Adv. Op. 06x9 (2006); 5 C.F.R. 2640.102(l)-(m).

<sup>30</sup> 18 U.S.C. § 208(a); 5 C.F.R. § 2640.103(a).

<sup>31</sup> *United States v. Hedges*, 912 F.2d 1397, 1402 (11th Cir. 1990) (citing *United States v. Mississippi Valley Generating Co.*, 364 U.S. 520 (1961)).



prohibits executive branch and independent agency officers and employees from substantially, personally, and officially participating in *any* governmental activity in which he knows he, his spouse, or another specific person has a financial interest.”<sup>32</sup>

An employee must either divest of potentially conflicting assets or recuse from any particular matter that could foreseeably result in a “potential gain or loss” to the employee<sup>33</sup> unless they have been issued an individualized waiver or an exception to the law applies.<sup>34</sup> OGE, the supervising ethics office for the executive branch, and courts have made clear that the potential for “[g]ain or loss need not be *probable* for the prohibition against official action to apply.”<sup>35</sup> Rather, all that must be shown is that there exists a “real possibility of gain or loss as a result of developments in or resolution of [the] matter.”<sup>36</sup>

OGE has provided extensive guidance on how ownership of a variety of interests can create conflicts of interest under 18 U.S.C. § 208.

For example, OGE has advised that “employees who own stock in a company . . . may not participate in a particular matter affecting the company even if there is not a probable effect on the company’s stock price.”<sup>37</sup> Although limited exceptions to the conflict of interest law apply to *de minimis* ownership of “publicly traded securities,”<sup>38</sup> no exception exists for privately held companies and no exceptions exist for investments in public companies that exceed \$25,000 (and \$15,000 in any particular matter involving specific parties).<sup>39</sup>

OGE has also provided that an employee who has “an equity interest in a private investment fund as an investor” will have a “financial interest under 18 U.S.C. § 208 in particular matters affecting the fund itself and in particular matters affecting the underlying assets of the fund.”<sup>40</sup> Moreover, if the private equity fund is set up as a limited partnership, the

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<sup>32</sup> *United States v. Nevers*, 7 F.3d 59, 61 (5<sup>th</sup> Cir. 1993) (emphasis in original).

<sup>33</sup> 5 C.F.R. § 2640.103(b).

<sup>34</sup> The U.S. Office of Government Ethics (OGE) is authorized to issue regulatory *de minimis* exceptions for investments that are “too remote or too inconsequential to affect the integrity of the services” expected from a government official. 18 U.S.C. §208(b)(2). As OGE advised in 2022, no *de minimis* regulations apply to holdings of cryptocurrency. OGE Legal Advisory LA-22-04 (2022). OGE has created regulatory exceptions for *de minimis* holdings in publicly traded companies, including those “engaged in the development of cryptocurrency or stablecoins or related services.” *Id.*; 5 C.F.R. § 2640.202. However, no *de minimis* exceptions for publicly traded stock apply if the employee owns more than \$25,000 in a single affected company. 5 C.F.R. § 2640.202(a)-(c).

<sup>35</sup> OGE Legal Advisory LA-23-12, at 2 (2023) (citing *United States v. Gorman*, 807 F.2d 1299, 1303 (6<sup>th</sup> Cir. 1986) *cert. denied*, 484 U.S. 815 (1987)).

<sup>36</sup> *Id.* (citing *Gorman*, 807 F.2d at 1303); 5 C.F.R. § 2640.103(a)(3)(ii).

<sup>37</sup> OGE Legal Advisory LA-20-03 (May 1, 2020); U.S. OFFICE OF GOV’T ETHICS, CONFLICT OF INTEREST CONSIDERATIONS: ASSETS 14 (2024).

<sup>38</sup> 5 C.F.R. 2640.202(a)-(c).

<sup>39</sup> *Id.*

<sup>40</sup> U.S. OFFICE OF GOVERNMENT ETHICS, CONFLICTS OF INTERESTS CONSIDERATIONS: PRIVATE INVESTMENT FUNDS AND EMPLOYMENT WITH AN INVESTMENT FUND (August 2024), [https://www.oge.gov/web/OGE.nsf/0/A16C6A6950C55E12852585B6005A1F90/\\$FILE/Private%20Investment%20Funds.pdf](https://www.oge.gov/web/OGE.nsf/0/A16C6A6950C55E12852585B6005A1F90/$FILE/Private%20Investment%20Funds.pdf) (OGE Private Investment Fund Guidance).

employee would have a disqualifying financial interest in matters affecting the finances of their general partner absent a regulatory exemption.<sup>41</sup>

Finally, OGE has provided significant guidance on ownership of cryptocurrencies—including Bitcoin exchange-traded products. OGE has advised that “an employee who owns digital assets will often have a disqualifying financial interest in a particular matter . . . that would establish new regulatory requirements for all digital assets, or a subset of digital assets that includes digital assets owned by the employee.”<sup>42</sup> This means that an employee will “typically have a disqualifying financial interest in any particular matter that would increase, prohibit, or impair the marketability of all digital assets, or a subset of digital assets that includes digital assets owned by the employee.”<sup>43</sup> Moreover, OGE has explained that Bitcoin exchange-traded products, like Bitcoin ETFs, do not qualify for any regulatory exceptions from 18 U.S.C. § 208.<sup>44</sup> Thus an employee is required to recuse from any particular matter that could affect the financial interests of the underlying investments in Bitcoin, regardless of the size of the employee’s investment.<sup>45</sup>

## **Discussion**

Several of the holdings that Secretary Bessent continues to hold appear to raise potential conflicts of interest with the work the Secretary has performed over the past six months. This includes Secretary Bessent’s work on bilateral trade negotiations involving tariffs on foreign products from aluminum to soybeans, his recent work to implement the President’s “Golden Age of Crypto,” and the recent Financial Crimes Enforcement Network (“FinCEN”) order delaying application of anti-money laundering rules to registered investment advisors including those who work for private equity funds.

### **a. Bilateral Tariff and Trade Agreements**

The Department of Justice has long recognized that bilateral treaty agreements are considered “particular matters” (specifically “particular matters involving specific parties”) for purposes of the conflict of interest laws.<sup>46</sup> Since at least 1990, OGE has advised the same regarding bilateral trade agreements.<sup>47</sup> As a result, pursuant to 18 U.S.C. § 208(a), an employee may not participate in a bilateral treaty or trade negotiation if it is reasonably foreseeable that the employee would have a financial stake in the outcome or proceedings of that treaty or trade agreement.

Secretary Bessent’s on-going involvement in bilateral trade negotiations therefore raises serious concerns, given his continued ownership of companies that could be affected by those negotiations. Companies that are held by private investment firms the Secretary continues to own

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<sup>41</sup> 18 U.S.C. § 208(a); 5 C.F.R. § 2640.202(f).

<sup>42</sup> OGE Legal Advisory LA-23-12, at 4 (2023).

<sup>43</sup> *Id.*

<sup>44</sup> OGE Legal Advisory LA-24-02 (2024).

<sup>45</sup> 18 U.S.C. § 208(a); 5 C.F.R. § 2635.402(c).

<sup>46</sup> *See, Conflicts of Int.-18 U.S.C. 207-Former Exec. Branch Officer*, 3 Op. O.L.C. 373, 375 (1979).

<sup>47</sup> *See, e.g., OGE Inf. Adv. 90x7* (1990).

could reasonably be expected to be impacted by the result of these negotiations. In addition, Secretary Bessent has several investments in individual companies that could be impacted by these negotiations.

For example, Secretary Bessent reported owning \$1-5 million in Half Acre WSW, LLC, on his nominee financial disclosure report.<sup>48</sup> As a private company, there is no *de minimis* exception from 18 U.S.C. § 208(a) available for his ownership of this asset. He was originally required to sell this asset; however, his Ethics Agreement was updated in June to permit him to continue to hold his interest in Half Acre WSW, LLC. Half Acre WSW, LLC, is a feeder fund invested in Waterloo Sparking Water, Corp (“Waterloo”). Waterloo is a private company located in Texas that sells canned flavored sparkling water. At the same time Secretary Bessent held over \$1 million dollars in Half Acre WSW, LLC, he has been deeply involved in bilateral trade negotiations, some of which involve discussions related to aluminum tariffs, which is a major U.S. import. For example, in February, Scott Bessent met with Australia’s Treasurer to, in part, discuss aluminum tariffs.<sup>49</sup> In July, Secretary Bessent explained he was holding conversations with Canada—the single biggest exporter of aluminum to the U.S., at approximately 3.2 million tons last year<sup>50</sup>—about the scope and extent of aluminum tariffs.<sup>51</sup> It has been reported that tariffs on aluminum companies could raise prices on canned beverages, such as Waterloo.<sup>52</sup>

Secretary Bessent also reported an interest in High Plains Acre, LLP, which owns \$5-\$25 million in farmland in North Dakota.<sup>53</sup> In 2024, the Secretary reported that the company received over \$100,000 in income as a result of a revenue sharing agreement that is tied to the price of corn and soybeans produced on the farm.<sup>54</sup> As a private company, there is no *de minimis* exception from 18 U.S.C. § 208(a) available for his ownership of this asset. As Secretary Bessent said on *Fox News* in May while discussing bilateral negotiations with China: “American farmers are special, I am an American farmer.”<sup>55</sup> As part of his confirmation hearing, Secretary Bessent

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<sup>48</sup> Scott Bessent, Public Financial Disclosure Report at 10 (OGE Form 278e) (Dec. 28, 2024), [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/49D5550BCEB079A185258C0F00335A1B/\\$FILE/Bessent%2C%20Scott%20%20AMENDED%20final278.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/49D5550BCEB079A185258C0F00335A1B/$FILE/Bessent%2C%20Scott%20%20AMENDED%20final278.pdf) (Nominee Report).

<sup>49</sup> Sarah Fortinsky, *Australian Treasurer Seeking Tariff Exemption in Talks with Bessent*, THE HILL (Feb. 24, 25), <https://thehill.com/policy/international/5161701-australia-pursues-tariff-exemptions/>.

<sup>50</sup> Amy Lv, et al., *The Top Sources of U.S. Steel and Aluminium Imports*, REUTERS (June 4, 2025), <https://www.reuters.com/markets/commodities/where-does-us-get-its-steel-aluminum-2025-02-10/>.

<sup>51</sup> Paul Vieira, *U.S.-Canada Trade Talks Dealing With Aluminum-Tariff Levels, Bessent Says*, WALL ST. J. (July 31, 2025), [https://www.wsj.com/economy/trade/u-s-canada-trade-talks-dealing-with-aluminum-tariff-levels-bessent-says-3f8989a7?gaa\\_at=eafs&gaa\\_n=ASWzDAhrXYMdCGUAI0zYzbC6clz0JOTmtrWgnZoMOojHrvUjTCDxJ-evT-XZ&gaa\\_ts=688e4ee2&gaa\\_sig=CQFn304pZgFri7lMcpXMEUrX\\_\\_BUJWhrnO1jA1-6iRYa7i0R0HSHfS694AnGnZriTyy46Y\\_Q9ltQz1A18\\_fAg%3D%3D](https://www.wsj.com/economy/trade/u-s-canada-trade-talks-dealing-with-aluminum-tariff-levels-bessent-says-3f8989a7?gaa_at=eafs&gaa_n=ASWzDAhrXYMdCGUAI0zYzbC6clz0JOTmtrWgnZoMOojHrvUjTCDxJ-evT-XZ&gaa_ts=688e4ee2&gaa_sig=CQFn304pZgFri7lMcpXMEUrX__BUJWhrnO1jA1-6iRYa7i0R0HSHfS694AnGnZriTyy46Y_Q9ltQz1A18_fAg%3D%3D).

<sup>52</sup> Evie Liu, *Why 50% Aluminum Tariffs Won’t Hurt Can Makers. These Companies Will Take the Hit*, BARRONS (June 25, 25), <https://www.barrons.com/articles/aluminum-tariffs-cans-beverages-stocks-32b4a96f>.

<sup>53</sup> Nominee Report at 14.

<sup>54</sup> *Id.*

<sup>55</sup> *Fox Business News* (May 1, 2025, 7:23 A.M E.T., 13:12 minute mark), <https://www.foxbusiness.com/media/treasury-secretary-bessent-signals-us-advantage-tariff-battle-chinas-economy-crumbles>.



said that he would take steps to protect American farmers including taking steps against China.<sup>56</sup> He is currently working on a bilateral negotiations with China. The largest market for U.S.-grown soybeans is China.<sup>57</sup> As the Chairman of the American Soybean Association Josh Gackle, a North Dakota farmer, noted in April, President Trump’s past tariffs resulted in long-term loss of market access and would result in short-term impact on commodity prices.<sup>58</sup> There exists a serious risk that agricultural provisions of a bilateral trade deal with China could impact American farmers, particularly those that produce staple crops like corn and soybeans.

Given the Secretary’s expansive involvement in bilateral activities, there is a real risk that his activities might violate 18 U.S.C. § 208(a) given his investments in companies, including but not limited to Half Acre WSW, LLC, and High Plains Acre, LLP, that could have a financial interest in those negotiations.

### **b. Cryptocurrency Legal Framework Recommendations**

Secretary Bessent is a key member of the President’s Working Group on Digital Asset Markets.<sup>59</sup> In July 2025, the Working Group released a 160-page report entitled *Strengthening American Leadership in Digital Financial Technology*<sup>60</sup> that sets out regulatory steps that the Administration, including the Treasury Department, would pursue to advance President Trump’s “Golden Age of Crypto.”<sup>61</sup> On July 30, Secretary Bessent said, in remarks made at the White House following the release of the report, that these actions include “countering illicit finance; ensuring fairness and predictability in crypto taxation; reinforcing dollar dominance through stablecoins; and modernizing bank regulations for digital assets.”<sup>62</sup> All of which fall within the ambit of the Treasury Department. Nor are these mere ideas, the Working Group report includes several definitive steps that the Treasury Department would undertake, including making changes to the rules implementing reporting under the Bank Secrecy Act,<sup>63</sup> rules dealing with

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<sup>56</sup> U.S. Senate Finance Committee, *Hearing to Consider the Anticipated Nomination of Scott Bessent, of South Carolina, to be Secretary of the Treasury* (January 16, 2025, 2:00:00-2:03:00 minute marks), <https://www.finance.senate.gov/hearings/hearing-to-consider-the-anticipated-nomination-of-scott-bessent-of-south-carolina-to-be-secretary-of-the-treasury> (“[N]ext week, if confirmed, I would begin pushing for the purchase guarantees that were in the China agreement to be enforced, and perhaps push the Chinese for a catch-up provision over the past four years”).

<sup>57</sup> Scott Simon, *How Tariffs Are Affecting Soybean Farmers*, NPR (April 12, 2025), <https://www.npr.org/2025/04/12/nx-s1-5357857/how-tariffs-are-affecting-soybean-farmers>.

<sup>58</sup> *Id.*

<sup>59</sup> *Strengthening American Leadership in Digital Financial Technology*, Exec. Ord. 14178, § 4(i), 90 FR 8647 (Jan. 23, 2025).

<sup>60</sup> PRESIDENT’S WORKING GROUP ON DIGITAL ASSET MARKETS, *STRENGTHENING AMERICAN LEADERSHIP IN DIGITAL FINANCIAL TECHNOLOGY* (July 30, 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/07/Digital-Assets-Report-EO14178.pdf> (Digital Asset Report).

<sup>61</sup> Lucien Bruggeman & Jay O’Brien, *White House Unveils Crypto Policy 'Roadmap' Meant to Usher in 'Golden Age'*, ABC NEWS (July 30, 2025), <https://abcnews.go.com/US/white-house-unveils-crypto-policy-roadmap-meant-usher/story?id=124215664>.

<sup>62</sup> *Treasury Secretary Bessent Remarks at the Launch of the White House Digital Assets Report, Building the Golden Age of Crypto* (July 31, 2025), <https://home.treasury.gov/news/press-releases/sb0216>.

<sup>63</sup> Digital Asset Report at 107.

“convertible virtual currency mixing,”<sup>64</sup> tailoring money laundering rules to digital assets,<sup>65</sup> and amending tax regulations and guidance related to digital assets.<sup>66</sup> In fact, the Working Group report identifies over 40 actions that the Treasury Department would be responsible for undertaking in advancing cryptocurrency policy, including overseeing a “Strategic Bitcoin Reserve.”<sup>67</sup>

As part of his nominee financial disclosure report, Secretary Bessent reported ownership of between \$250,000 and \$500,000 in the iShares Bitcoin Trust ETF (“IBIT”).<sup>68</sup> IBIT is a Bitcoin exchange-traded product, not a mutual fund, and is therefore not covered by any *de minimis* regulatory exemptions from 18 U.S.C. § 208(a).<sup>69</sup> As OGE advised in 2023, “an employee who owns digital assets will often have a disqualifying financial interest in a particular matter of general applicability that would establish new regulatory requirements for all digital assets, or a subset of digital assets that includes digital assets owned by the employee.”<sup>70</sup> It is therefore deeply concerning that Secretary Bessent may have held up to half a million dollars in Bitcoin through IBIT at the same time he was working on a report calling for over 40 significant changes to the digital asset legal framework.

### **c. Regulation of Private Equity Companies**

The Treasury Secretary has expansive statutory authority over domestic financial markets. Among other things, the Secretary is “responsible for formulating and recommending domestic and international financial, economic, and tax policy, participating in the formulation of broad fiscal policies that have general significance for the economy, and managing the public debt.”<sup>71</sup> In addition, the Secretary serves on the President’s National Economic Council and as the Chair and Managing Trustee of the Social Security and Medicare Trust Funds, Chair of the Thrift Depositor Protection Oversight Board, and Governor of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the European Bank for Reconstruction and Development.<sup>72</sup> These expansive authorities can include actions that have direct impacts on private equity companies, as well as companies owned by private equity companies.

One recent example of such an action is FinCEN’s postponement of its rules that would have expanded anti-money laundering and counter-terrorism requirements to registered investment

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<sup>64</sup> Id. at 109; *See Proposal of Special Measure Regarding Convertible Virtual Currency Mixing, as a Class of Transactions of Primary Money Laundering Concern*, 88 Fed. Reg. 72701 (Oct. 23, 2023).

<sup>65</sup> Id. at 116.

<sup>66</sup> Id. at 125.

<sup>67</sup> Id. at 150-160 (Table of Recommendations).

<sup>68</sup> Nominee Report at 7.

<sup>69</sup> OGE Legal Advisory LA-24-02 (2024).

<sup>70</sup> OGE Legal Advisory LA-23-12 (2023).

<sup>71</sup> Frequently Asked Questions, What Does the Secretary of the Treasury Do? (last visited August 13, 2025), <https://home.treasury.gov/subfooter/faqs/duties-and-functions-faqs>.

<sup>72</sup> Id.

advisors who worked for private equity companies.<sup>73</sup> This rule was to take effect on January 1, 2026. As of August 5, the Secretary, through FinCEN, pushed the timing of this rule back until January 2028.<sup>74</sup> As part of its regulatory analysis for the original rule, FinCEN had identified that it could cost entities tens of thousands of dollars to comply with the AML requirements, depending on the maturity of their programs.<sup>75</sup> By postponing the regulatory effective date, companies are no longer required to expend money to comply with the regulation.

Secretary Bessent holds several private equity funds, including Presight RV Co-Invest Fund, LP; Lombardi Capital Fund; Old Farm Partners Master Fund LP; Roxo Energy, LLC; Roxo Energy Partners IV, LLC; Totem Macro Global Alpha Select Onshore Fund LLC.<sup>76</sup> Although Secretary Bessent suggests that he does not have knowledge of the underlying assets of these many of funds,<sup>77</sup> the Secretary's recusal obligations are not limited to matters affecting the holdings of his private equity investments. As OGE has made clear, an employee has a disqualifying financial interest under 18 U.S.C. § 208 in particular matters "affecting the fund itself" as well as those affecting "the underlying assets of the fund."<sup>78</sup> In fact, OGE created a special exemption to 18 U.S.C. § 208(a) that permits employees of entities like the SEC and IRS who regulate investment companies to participate in particular matters of general applicability (such as rulemakings) that would have a direct pecuniary impact on registered investment companies, as opposed to a pecuniary impact on the holdings of those companies.<sup>79</sup> This exemption does not, however, apply to unregistered investment companies, such as private equity, venture capital, and hedge funds.<sup>80</sup>

Given the Secretary's expansive authority over the financial markets, including regulations that could impact on private equity funds, the fact that the Secretary appears to continue to hold interests in several of these funds raises the possibility that he may have violated the criminal conflict of interest law. This concern is compounded by the fact that the Secretary has recently modified his Ethics Agreement to suggest he will retain an interest in Presight RV Co-Invest Fund, LP.<sup>81</sup>

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<sup>73</sup> Financial Crimes Enforcement Network, Exemptive Relief Order to Delay the Effective Date of the Investment Adviser Rule (Aug. 5, 2025), <https://www.fincen.gov/sites/default/files/shared/IA-Rule-Exemptive-Relief-Order.pdf>.

<sup>74</sup> *Id.*

<sup>75</sup> *Financial Crimes Enforcement Network: Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers*, 89 FR 72156, 72239-72243 (2024).

<sup>76</sup> Nominee Report, *passim*.

<sup>77</sup> *See, e.g.*, Nominee Report at 7 (stating that the underlying assets of Presight RV Co-Invest Fund LP are "not ascertainable"); Letter from Scott Bessent, *supra* n. 26 (ditto).

<sup>78</sup> OGE Private Investment Fund Guidance.

<sup>79</sup> 5 C.F.R. § 2640.201(d); *Additional Exemption for Mutual Funds and Unit Investment Trusts Under 18 U.S.C. 208(b)(2)*, 70 FR 69041 (2005) (stating that basis of exemption was in recognition that "employees at certain agencies may work on particular matters of general applicability that do not have an effect on individual fund holdings, but instead may have an effect on the mutual funds or unit investment trusts themselves").

<sup>80</sup> OGE Private Investment Fund Guidance.

<sup>81</sup> Letter from Scott Bessent, *supra* n. 26.

### **Conclusion**

For the aforementioned reasons, DDF and CLC call upon OGE to investigate whether Secretary Bessent has violated the criminal conflict of interest statute, 18 U.S.C. § 208(a), and to compel his compliance with his Ethics Agreement. In addition, we respectfully request that the Treasury Department's Office of Inspector General separately initiate an investigation to determine whether Secretary Bessent has violated any conflict-of-interest laws by virtue of continuing to hold assets he agreed to divest.

/s/

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