

Union Calendar No. 43

115TH CONGRESS
1ST SESSION

H. R. 732

[Report No. 115-72]

To limit donations made pursuant to settlement agreements to which the United States is a party, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 2017

Mr. GOODLATTE (for himself, Mr. PETERSON, Mr. SENSENBRENNER, Mr. SMITH of Texas, Mr. CHABOT, Mr. ISSA, Mr. KING of Iowa, Mr. FRANKS of Arizona, Mr. GOHMERT, Mr. JORDAN, Mr. POE of Texas, Mr. CHAFFETZ, Mr. MARINO, Mr. GOWDY, Mr. LABRADOR, Mr. FARENTHOLD, Mr. COLLINS of Georgia, Mr. DESANTIS, Mr. BUCK, Mr. RATCLIFFE, Mr. TROTT, Mr. BISHOP of Michigan, Mrs. ROBY, Mr. GAETZ, Mr. BIGGS, Mrs. MIMI WALTERS of California, and Mr. GRIFFITH) introduced the following bill; which was referred to the Committee on the Judiciary

MARCH 30, 2017

Additional sponsors: Mr. JOHNSON of Louisiana, Mr. ABRAHAM, Mr. GOSAR, Mr. DUFFY, Mr. GROTHMAN, Mr. YOUNG of Iowa, Mr. ALLEN, and Mr. FRANCIS ROONEY of Florida

MARCH 30, 2017

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Insert the part printed in *italic*]

A BILL

To limit donations made pursuant to settlement agreements to which the United States is a party, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stop Settlement Slush
5 Funds Act of 2017”.

6 **SEC. 2. LIMITATION ON DONATIONS MADE PURSUANT TO**
7 **SETTLEMENT AGREEMENTS TO WHICH THE**
8 **UNITED STATES IS A PARTY.**

9 (a) **LIMITATION ON REQUIRED DONATIONS.**—An of-
10 ficial or agent of the Government may not enter into or
11 enforce any settlement agreement on behalf of the United
12 States, directing or providing for a payment *or loan* to
13 any person or entity other than the United States, other
14 than a payment *or loan* that provides restitution for or
15 otherwise directly remedies actual harm (including to the
16 environment) directly and proximately caused by the party
17 making the payment *or loan*, or constitutes payment for
18 services rendered in connection with the case or a payment
19 pursuant to section 3663 of title 18, United States Code.

20 (b) **PENALTY.**—Any official or agent of the Govern-
21 ment who violates subsection (a), shall be subject to the
22 same penalties that would apply in the case of a violation
23 of section 3302 of title 31, United States Code.

1 (c) EFFECTIVE DATE.—Subsections (a) and (b)
2 apply only in the case of a settlement agreement concluded
3 on or after the date of enactment of this Act.

4 (d) DEFINITION.—The term “settlement agreement”
5 means a settlement agreement resolving a civil action or
6 potential civil action, a plea agreement, a deferred pros-
7 ecution agreement, or a non-prosecution agreement.

8 (e) REPORTS ON SETTLEMENT AGREEMENTS.—

9 (1) IN GENERAL.—Beginning at the end of the
10 first fiscal year that begins after the date of the en-
11 actment of this Act, and annually thereafter, the
12 head of each Federal agency shall submit electroni-
13 cally to the Congressional Budget Office a report on
14 each settlement agreement entered into by that
15 agency during that fiscal year that directs or pro-
16 vides for a payment *or loan* to a person or entity
17 other than the United States that provides restitu-
18 tion for or otherwise directly remedies actual harm
19 (including to the environment) directly and proxi-
20 mately caused by the party making the payment *or*
21 *loan*, or constitutes payment for services rendered in
22 connection with the case, including the parties to
23 each settlement agreement, the source of the settle-
24 ment funds, and where and how such funds were
25 and will be distributed.

1 (2) PROHIBITION ON ADDITIONAL FUNDING.—

2 No additional funds are authorized to be appro-
3 priated to carry out this subsection.

4 (3) SUNSET.—This subsection shall cease to be
5 effective on the date that is 7 years after the date
6 of the enactment of this Act.

7 (f) ANNUAL AUDIT REQUIREMENT.—

8 (1) IN GENERAL.—Beginning at the end of the
9 first fiscal year that begins after the date of the en-
10 actment of this Act, and annually thereafter, the In-
11 spector General of each Federal agency shall submit
12 a report to the Committees on the Judiciary, on the
13 Budget and on Appropriations of the House of Rep-
14 resentatives and the Senate, on any settlement
15 agreement entered into in violation of this section by
16 that agency.

17 (2) PROHIBITION ON ADDITIONAL FUNDING.—

18 No additional funds are authorized to be appro-
19 priated to carry out this subsection.

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