

115TH CONGRESS  
1ST SESSION

# S. 333

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

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 7 (legislative day, FEBRUARY 6), 2017

Mr. LANKFORD (for himself, Mr. CORNYN, Mr. HATCH, Mr. CRUZ, Mr. FLAKE, Mr. CRAPO, Mr. JOHNSON, and Mr. LEE) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## 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”.

1 **SEC. 2. LIMITATION ON DONATIONS MADE PURSUANT TO**  
2 **SETTLEMENT AGREEMENTS TO WHICH THE**  
3 **UNITED STATES IS A PARTY.**

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

16 (b) **PENALTY.**—Any official or agent of the Federal  
17 Government who violates subsection (a) shall be subject  
18 to the same penalties that would apply in the case of a  
19 violation of section 3302 of title 31, United States Code.

20 (c) **EFFECTIVE DATE.**—Subsections (a) and (b)  
21 apply only in the case of a settlement agreement concluded  
22 on or after the date of enactment of this Act.

23 (d) **DEFINITION.**—The term “settlement agreement”  
24 means a settlement agreement resolving a civil action or  
25 potential civil action, a plea agreement, a deferred pros-  
26 ecution agreement, or a non-prosecution agreement.

1 (e) REPORTS ON SETTLEMENT AGREEMENTS.—

2 (1) IN GENERAL.—Beginning at the end of the  
3 first fiscal year that begins after the date of enact-  
4 ment of this Act, and annually thereafter, the head  
5 of each Federal agency shall submit electronically to  
6 the Congressional Budget Office a report on each  
7 settlement agreement entered into by that agency  
8 during that fiscal year that directs or provides for  
9 a payment or loan to a person or entity other than  
10 the United States that provides restitution for or  
11 otherwise directly remedies actual harm (including  
12 to the environment) directly and proximately caused  
13 by the party making the payment or loan, or con-  
14 stitutes payment for services rendered in connection  
15 with the case, including the parties to each settle-  
16 ment agreement, the source of the settlement funds,  
17 and where and how such funds were and will be dis-  
18 tributed.

19 (2) PROHIBITION ON ADDITIONAL FUNDING.—

20 No additional funds are authorized to be appro-  
21 priated to carry out this subsection.

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

25 (f) ANNUAL AUDIT REQUIREMENT.—

1           (1) IN GENERAL.—Beginning at the end of the  
2 first fiscal year that begins after the date of enact-  
3 ment of this Act, and annually thereafter, the In-  
4 spector General of each Federal agency shall submit  
5 a report to the Committees on the Judiciary, on the  
6 Budget and on Appropriations of the Senate and the  
7 House of Representatives on any settlement agree-  
8 ment entered into in violation of this section by that  
9 agency.

10           (2) PROHIBITION ON ADDITIONAL FUNDING.—  
11 No additional funds are authorized to be appro-  
12 priated to carry out this subsection.

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