

115TH CONGRESS
1ST SESSION

H. R. 732

IN THE SENATE OF THE UNITED STATES

OCTOBER 25, 2017

Received; read twice and referred to the Committee on the Judiciary

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

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

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

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

20 (b) **LIMITATION ON CY-PRÈS.**—Amounts remaining
21 after all claims have been satisfied shall be repaid propor-
22 tionally to each party who contributed to the original pay-
23 ment.

24 (c) **PENALTY.**—Any official or agent of the Govern-
25 ment who violates subsection (a) or (b), shall be subject

1 to the same penalties that would apply in the case of a
2 violation of section 3302 of title 31, United States Code.

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

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

10 (f) REPORTS ON SETTLEMENT AGREEMENTS.—

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

1 ment funds, and where and how such funds were
2 and will be distributed.

3 (2) PROHIBITION ON ADDITIONAL FUNDING.—

4 No additional funds are authorized to be appro-
5 priated to carry out this subsection.

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

9 (g) ANNUAL AUDIT REQUIREMENT.—

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

1 (2) PROHIBITION ON ADDITIONAL FUNDING.—

2 No additional funds are authorized to be appro-

3 priated to carry out this subsection.

 Passed the House of Representatives October 24,
2017.

Attest:

KAREN L. HAAS,

Clerk.