

[Roll No. 5]

AYES—211

Aderholt	Gaetz	Miller (OH)
Alford	Gallagher	Miller (WV)
Allen	Garbarino	Miller-Meeks
Amodei	Garcia, Mike	Mills
Armstrong	Gimenez	Molinaro
Arrington	Gonzales, Tony	Moolenaar
Babin	Good (VA)	Mooney
Bacon	Gooden (TX)	Moore (AL)
Baird	Gosar	Moore (UT)
Balderson	Granger	Moran
Banks	Graves (LA)	Murphy
Barr	Graves (MO)	Nehls
Bean (FL)	Green (TN)	Newhouse
Bentz	Greene (GA)	Norman
Bergman	Griffith	Obernolte
Bice	Grothman	Ogles
Biggs	Guest	Owens
Bilirakis	Guthrie	Palmer
Bishop (NC)	Hageman	Pence
Bost	Harris	Perry
Brecheen	Harshbarger	Pfluger
Buchanan	Hern	Posey
Buchson	Higgins (LA)	Reschenthaler
Burchett	Hill	Rodgers (WA)
Burgess	Houchin	Rogers (MS)
Burlison	Hudson	Rose
Calvert	Huizenga	Rosendale
Cammack	Hunt	Rouzer
Carey	Issa	Rutherford
Carl	Jackson (TX)	Salazar
Carter (GA)	James	Schweikert
Carter (TX)	Johnson (OH)	Scott, Austin
Chavez-DeRemer	Johnson (SD)	Self
Ciscomani	Jordan	Sessions
Cline	Joyce (OH)	Simpson
Cloud	Joyce (PA)	Smith (MO)
Clyde	Kean (NJ)	Smith (NE)
Cole	Kelly (MS)	Smith (NJ)
Collins	Kelly (PA)	Smucker
Comer	Kiggans (VA)	Spartz
Crane	Kiley	Stauber
Crawford	Kim (CA)	Steel
Crenshaw	Kustoff	Stefanik
Curtis	LaHood	Steil
D'Esposito	LaLota	Steube
Davidson	LaMalfa	Strong
De La Cruz	Lamborn	Tenney
DesJarlais	Langworthy	Thompson (PA)
Diaz-Balart	Latta	Tiffany
Donalds	LaTurner	Timmons
Duarte	Lawler	Turner
Duncan	Lee (FL)	Valadao
Dunn (FL)	Lesko	Van Drew
Edwards	Letlow	Van Duynes
Ellzey	Loudermilk	Van Orden
Emmer	Lucas	Wagner
Estes	Luetkemeyer	Walberg
Ezell	Luttrell	Waltz
Fallon	Mace	Weber (TX)
Feenstra	Malliotakis	Webster (FL)
Ferguson	Maloy	Wenstrup
Finstad	Mann	Westerman
Fischbach	Massie	Williams (NY)
Fitzgerald	Mast	Williams (TX)
Fitzpatrick	McCaul	Wilson (SC)
Fleischmann	McClain	Wittman
Flood	McClintock	Womack
Foxx	McCormick	Yakym
Franklin, Scott	McHenry	Zinke
Fry	Meuser	
Fulcher	Miller (IL)	

NOES—202

Adams	Casas	Davis (NC)
Aguilar	Case	Dean (PA)
Allred	Casten	DeGette
Amo	Castor (FL)	DeLauro
Auchincloss	Castro (TX)	DelBene
Balint	Cherfilus	Deluzio
Barragan	McCormick	DeSaulnier
Beatty	Chu	Dingell
Bera	Clark (MA)	Doggett
Beyer	Clarke (NY)	Escobar
Bishop (GA)	Cleaver	Eshoo
Blumenauer	Clyburn	Espallat
Bonamici	Cohen	Evans
Bowman	Connolly	Fletcher
Boyle (PA)	Correa	Foster
Brown	Costa	Foushee
Brownley	Courtney	Frankel, Lois
Budzinski	Craig	Frost
Bush	Crockett	Gallego
Caraveo	Crow	Garamendi
Carbajal	Cuellar	Garcia (IL)
Cárdenas	Davids (KS)	Garcia (TX)
Carson	Davis (IL)	Garcia, Robert

Golden (ME)	Matsui	Sarbanes
Goldman (NY)	McBath	Schakowsky
Gomez	McClellan	Schiff
Gonzalez,	McCollum	Schneider
Vicente	McGarvey	Scholten
Gottheimer	McGovern	Schrier
Green, Al (TX)	Meeks	Scott (VA)
Grijalva	Menendez	Scott, David
Harder (CA)	Meng	Sewell
Hayes	Mfume	Sherman
Higgins (NY)	Moore (WI)	Sherrill
Himes	Morelle	Slotkin
Horsford	Moskowitz	Smith (WA)
Houlahan	Moulton	Sorensen
Hoyer	Mrvan	Soto
Hoyle (OR)	Mullin	Spanberger
Huffman	Nader	Stansbury
Ivey	Napolitano	Stanton
Jackson (IL)	Neal	Stevens
Jackson (NC)	Neguse	Strickland
Jackson Lee	Nickel	Swalwell
Jacobs	Norcross	Sykes
Jayapal	Ocasio-Cortez	Takano
Johnson (GA)	Omar	Thanedar
Kamlager-Dove	Pallone	Thompson (CA)
Kaptur	Panetta	Thompson (MS)
Keating	Pascrell	Titus
Khanna	Payne	Tlaib
Kildee	Pelosi	Tokuda
Kilmer	Peltola	Tonko
Perez	Krishnamoorthi	Torres (CA)
Kuster	Kuster	Torres (NY)
Landsman	Peters	Trahan
Larson (WA)	Petersen	Trone
Larson (CT)	Pingree	Vargas
Lee (CA)	Pocan	Vasquez
Lee (NV)	Porter	Veasey
Lee (PA)	Pressley	Velázquez
Leger Fernandez	Quigley	Wasserman
Levin	Ramirez	Schultz
Lieu	Raskin	Waters
Lofgren	Ross	Watson Coleman
Luna	Ruiz	Wild
Lynch	Ruppersberger	Williams (GA)
Magaziner	Ryan	
Manning	Salinas	
	Sánchez	

ANSWERED "PRESENT"—1

Roy

NOT VOTING—18

Blunt Rochester	Jeffries	Rogers (KY)
Boebert	Kelly (IL)	Scalise
Buck	Kim (NJ)	Scanlon
Carter (LA)	Nunn (IA)	Underwood
Cartwright	Pappas	Wexton
Hinson	Phillips	Wilson (FL)

□ 1409

Mr. ROY changed his vote from "aye" to "present."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1415

STOP SETTLEMENT SLUSH FUNDS ACT OF 2023

Mr. GOODEN of Texas. Mr. Speaker, pursuant to House Resolution 947, I call up the bill (H.R. 788) to limit donations made pursuant to settlement agreements to which the United States is a party, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. NEWHOUSE). Pursuant to House Resolution 947, in lieu of the amendment in the nature of a substitute recommended by the Committee on the Judiciary, printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 118-18 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 788

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stop Settlement Slush Funds Act of 2023".

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

(a) **LIMITATION ON REQUIRED DONATIONS.**—An official or agent of the Government may not enter into or enforce any settlement agreement on behalf of the United States directing or providing for a payment to any person or entity other than the United States, other than a payment that provides restitution for or otherwise directly remedies actual harm (including to the environment) directly and proximately caused by the party making the payment, or constitutes payment for services rendered in connection with the case.

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

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

(d) **DEFINITION.**—The term "settlement agreement" means a settlement agreement resolving a civil action or potential civil action.

(e) REPORTS ON SETTLEMENT AGREEMENTS.—

(1) **IN GENERAL.**—Not later than at the end of the first fiscal year that begins after the date of enactment of this Act, and annually thereafter, the head of each Federal agency shall submit electronically to the Congressional Budget Office a report on each settlement agreement entered into by that agency during that fiscal year that directs or provides for a payment to a person or entity other than the United States that is providing restitution for or otherwise directly remedies actual harm (including to the environment) directly and proximately caused by the party making the payment, or that constitutes payment for services rendered in connection with the case, which shall include the parties to each settlement agreement, the source of the settlement funds, and where and how such funds were and will be distributed.

(2) **PROHIBITION ON ADDITIONAL FUNDING.**—No additional funds are authorized to be appropriated to carry out this subsection.

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

(f) ANNUAL AUDIT REQUIREMENT.—

(1) **IN GENERAL.**—Not later than at the end of the first fiscal year that begins after the date of enactment of this Act, and annually thereafter, the Inspector General of each Federal agency shall submit a report on any settlement agreement entered into in violation of this section by that agency to—

(A) the Committee on the Judiciary, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on the Judiciary, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **PROHIBITION ON ADDITIONAL FUNDING.**—No additional funds are authorized to be appropriated to carry out this subsection.

The SPEAKER pro tempore. The bill, as amended, shall be debatable for 1 hour, equally divided and controlled by the chair and ranking minority member of the Committee on the Judiciary, or their respective designees.

After 1 hour of debate, it shall be in order to consider the amendment printed in House Report 118-342, if offered by the Member designated in the report, which shall be considered read, shall be separately debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for a division of the question.

The gentleman from Texas (Mr. GOODEN), and the gentleman from New York (Mr. NADLER) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. GOODEN of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material on H.R. 788.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GOODEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of H.R. 788, the Stop Settlement Slush Funds Act. This legislation seeks to repair a loophole that has been exploited by the executive branch agencies to redirect funds from Federal law enforcement settlements to outside, non-government entities.

Under this third-party settlement policy, agencies reach a settlement and include mandatory donation terms to externally divert these funds to third parties instead of either depositing them with the Treasury or exclusively using them to provide restitution to the victims.

Instead of depositing these settlements with the Treasury or compensating the victims, which should be the only appropriate use of these funds, agencies give sizable chunks to third parties diluting the share of the victims and even cutting out the Treasury completely.

Let me summarize this. Currently, when the Department of Justice reaches a settlement, oftentimes we don't know where it goes. More often than not, they give favorable terms to whoever they are settling with and say, if you divert XYZ dollars—in many cases millions—to a charity of our choosing, then we will call this quits, we will let you off, and you will get out of here.

What is happening, though, is, one, the people don't know where these settlements are going; two, Congress has no oversight of where this money is going and how it is spent; and, three, executive branch is going around Congress and spending dollars without going through the appropriations process. That is wrong.

Mr. Speaker, what you will hear from the other side today is that this is an essential tool. I would like to go back and forth and give you examples of failures of this policy, Mr. Speaker.

To be fair, this is not just something that the Biden administration is guilty of. This has happened in prior Presidential administrations. Fortunately, under President Trump's administration, this policy was stopped temporarily. Unfortunately, Congress did not end it because it was stopped.

What we should have done when President Trump was President is ended this policy then. Unfortunately, here we are. The Biden administration has reactivated it, and millions of dollars that could have gone to victims or could have gone to the U.S. Treasury for this Congress to then appropriate are now going to special groups, often liberal groups that are pet projects of this administration. It is my goal to end this policy once and for all. It is bad business for the American people, it is wrong, and it needs to be stopped no matter who the President is.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to H.R. 788, the so-called Stop Settlement Slush Funds Act of 2023.

This harmful legislation would prevent the Justice Department from negotiating settlements to include payments to third parties, primarily non-profits and community-based organizations, that are best positioned to remedy harms to society at large that were caused by a corporate wrongdoer's violation of Federal environmental, labor, consumer, and financial protections.

This bill is nothing short of a gift to large corporations that would leave victims of their misconduct out in the cold.

No credible facts justify H.R. 788. This bill is based on the false premise that the Justice Department uses these types of settlements as illegitimate favors for an administration's political allies, with the bill's supporters describing such settlements as politically motivated slush funds.

This is an outlandish attack on a perfectly legal and constitutional type of remedy and is an argument that both the Government Accountability Office and the Congressional Research Service have thoroughly debunked.

Yet, House Republicans have spent countless hours and taxpayer dollars over several Congresses, going back at least a decade, chasing the conspiracy theory that the Justice Department is attempting to fund liberal activist groups and causes through negotiated settlements.

This included a multiyear investigation of the settlements that the Justice Department entered into with several big banks following the 2008 financial crisis, banks whose greedy appetite for mortgage-backed securities led to predatory lending practices that ultimately left millions of homeowners facing foreclosure. The big banks turned a blind eye to these practices, while they packaged mortgages that they knew were of questionable value

as securities and sold them to individual and institutional investors alike.

Although the big banks' illegal conduct led directly to the 2008 financial crisis, it was difficult, if not impossible, for individual borrowers or homeowners to hold them legally accountable for the harms they suffered from the bank's near implosion of the Nation's financial system.

In response, roughly 1 percent—a tiny fraction—of the settlement monies in suits brought by the government ultimately went to third-party organizations specializing in aiding private homeowners to obtain mortgage relief or other related community services—a perfectly reasonable way to help remedy the harm caused by these large financial institutions' irresponsible behavior.

Unsurprisingly, the House Republican investigation into these settlements produced not one shred of credible evidence to support their allegations that this represented some sort of improper action—a common result when it comes to the majority's oversight priorities it seems.

Nonetheless, the majority seeks to enact H.R. 788, a bill that purports to address a problem that does not exist while its proposed solution would create real negative consequences for the American public.

Were Congress to pass H.R. 788, it would reward corporate lawbreakers and further victimize the families and communities suffering from the consequences of corporate misconduct, including injuries from civil rights violations, environmental justice harms, or harms caused by fraudulent lending practices.

During the Rules Committee hearing earlier this week, my colleagues on the other side began to argue that these settlements are, in fact, a sweet deal for corporate lawbreakers at the expense of the taxpayer. Nothing could be further from reality.

First, let us not lose sight of the fact that the majority of settlement funds go to the U.S. Treasury.

Second, these settlements enable Federal agencies to efficiently resolve enforcement actions. In many of the kinds of cases from which these types of settlements arise, litigation is complex, expensive, and time consuming. It could take the government years to hold wrongdoers accountable if they are unable to reach a settlement.

Justice delayed is justice denied. These settlements save the taxpayers millions of dollars in litigation costs, boosting the value of the settlements to the U.S. Treasury beyond the listed dollar figure, while at the same time providing more immediate relief for victims of corporate lawbreaking.

H.R. 788 is simply a tired attempt by the majority to paint a constitutional veneer upon their unpopular antiregulatory agenda, which includes enacting legislation that will undermine critical financial, environmental,

public health, and safety protections for the American public.

This antiregulatory bill is a solution in search of a problem, designed to serve deep-pocketed corporate interests at the American people's expense.

It is a shame that House Republicans have chosen this unjustified and harmful bill as one of their first measures to bring to the floor in this new year. We could have started the new year by considering bipartisan legislation to address a real problem. At the same markup where the Judiciary Committee considered this bill, we also considered legislation that would have addressed bipartisan concerns about Federal civil asset forfeiture laws. That bill passed the committee by a 26-0 vote in favor, and I have no doubt we would have enjoyed strong bipartisan support on the floor.

Be that as it may, here we are, once again, at the precipice of a possible government shutdown, and House Republicans have chosen instead to waste time on H.R. 788, recycling an unnecessary bill that has no chance of passage in the Senate at a time when the House should be working expeditiously to ensure that the government stays open.

In short, rather than considering ill-conceived and harmful legislation, we ought to be devoting this first legislative week of the new year focused on serving the actual needs of the American people, which is the basic job that we were elected to do.

Mr. Speaker, I urge my colleagues to vote "no" on H.R. 788, and I reserve the balance of my time.

Mr. GOODEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me read this to you. This is from Bob LeClair, head of the Hawaii Legal Aid Foundation and executive director of the Hawaii Justice Foundation: "I would be willing to have us build a statue [to Obama DOJ Associate Attorney General Tony West] and then we could bow down to this statue each day after we get our \$200,000."

Now, what is that about?

That is about one of these liberal groups getting money from the Justice Department in backroom settlements, and this is just one little quote that we found in an email that we were privy to, because at the end of the day, we don't even know about all these settlements.

I want to show you all this. Let's assume that everything my colleague said was true about these settlements and how great they are. Let's just assume for a second that we all agree that all these groups that are getting settlements are good groups and that this is a worthy cause and a worthy use of settlement.

Everything he just told you only relates to the 1.4 percent of where these settlements have gone because the rest of the 99 percent of settlement funds, we have no idea where they went. We don't even know what groups got them

because the DOJ is making these backroom deals.

One of the problems that I have with my friends across the aisle is saying that this is a gift to big business.

Mr. Speaker, what they are going for is to preserve the status quo. The status quo is giving breaks to big businesses.

Mr. Speaker, let me give you an example. Bank of America settled with the government in exchange for getting to walk away from these charges. They were allowed to pay some money to some of these liberal groups to help with banking needs, et cetera. If they are not forced to admit guilt and write a check to the U.S. Treasury and say we are guilty, then we are letting them get away. That is what Democrats want to do.

Democrats want a corporate violator to be able to come forward and say, hey, I made this big donation to this great group, and don't tell anyone that we actually pled, and we didn't have to admit guilt.

So the shreds of evidence are actually much greater than just shreds. We have so many instances of waste and corruption within this process, but, unfortunately, everything I am telling you and everything the gentleman is telling you only relates to 1.4 percent of it. We don't even know how bad the other 99 percent of it is.

It is Congress' job to appropriate funds; it is the Department of Justice's job to carry out justice, and that is that.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Wyoming (Ms. HAGEMAN).

Ms. HAGEMAN. Mr. Speaker, it should come as no surprise that this administration, known for its reckless spending and misuse of congressionally appropriated money, has resumed the Obama-era practice of redirecting settlement funds away from the American people and to activist groups championing the radical left's projects.

□ 1430

Instead of going to those harmed by a defendant or placing such funds into the U.S. Treasury to serve the American people, vast sums of money, literally millions and tens of millions of dollars, are instead being directed to Democratic Party-aligned groups by Federal agencies, placing these newly acquired Federal funds outside of Congress' purview while also funding radical progressive agendas to boot.

These groups are then free to spend dollars on partisan priorities expressly denied by Congress or to fund their own sue-and-settle tactics against the Federal Government.

Simply put, these funds are weaponized against the American people and are yet another way Democrats are abusing their power. Twice, the Trump administration limited this practice, only to have each attempt reversed by Joe Biden.

Clearly, this is not a partisan abuse. It is coming from only one side. As a

Member of Congress, such actions are a blatant affront to our power of the purse and an effort to sidestep congressional oversight.

These slush fund activities deprive victims of the proper restitution our justice system promises.

H.R. 788 will end this unconstitutional, fraudulent, and immoral practice and provide Americans greater transparency in Federal settlement practices.

Mr. Speaker, I urge my colleagues to vote in favor of this bill.

Mr. NADLER. Mr. Speaker, the gentleman from Texas and the gentlewoman from Wyoming are simply wrong as they describe the situation.

In all of these settlements, the Federal Government is given money, the bulk of the money. It doesn't go to a third-party group. A small fraction then goes to a small group to help make the victims of the fraud or the malfeasance somewhat whole, but the Federal Government gets the bulk of the funds in the first place.

It is a two-part payout. The Federal Government gets most of the funds, and then a third party helps some of the victims get a little part of the funds.

Mr. Speaker, I yield 3 minutes to the gentlewoman from North Carolina (Mrs. FOUSHEE).

Mrs. FOUSHEE. Mr. Speaker, I rise to oppose this bill that undermines our ability to hold corporate wrongdoers accountable for unlawful conduct. This bill will prevent Federal agencies from entering into settlements that set aside funds for third parties, such as legal aid, housing, or financial counseling groups, or community assistance, settlements that provide some relief for victims of corporate misconduct.

For this reason, at the appropriate time, I will offer a motion to recommit this bill back to committee. If the House rules permitted, I would have offered the motion with an important amendment to this bill. My amendment would have provided for exceptions in the case that a settlement agreement pertains to the abuse of opioids, and that includes allegations of false claims against the United States related to a healthcare benefit program.

Mr. Speaker, I hope my colleagues join me in voting for this motion to recommit.

Mr. Speaker, I ask unanimous consent to insert the text of this amendment into the RECORD immediately prior to the motion to recommit.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Mr. GOODEN of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. MORAN).

Mr. MORAN. Mr. Speaker, I rise today in support of H.R. 788, the Stop Settlement Slush Funds Act of 2023.

This act is one step in the reform process to return spending power back

to the hands of Congress and ensure the proper use of every dollar that comes into the Treasury.

This bill would help to ensure the damages owed to victims of wrongdoing actually reach them rather than being used to support organizations that are friends of the executive branch, regardless of the party.

For those who don't know, settlement slush funds result when defendants settle with government agencies and, based on the terms of that settlement, direct the settlement proceeds to politically favored third parties instead of victims or the U.S. Treasury for use in correcting the actual wrongdoing.

In these cases, the victims often have little to no say in how the settlement will be structured and certainly have no redress when the government directs these monetary settlements elsewhere.

In the past, these types of settlements have been used to support the pet projects of prior administrations or the friends of prior administrations, and this is simply unacceptable.

Settlement funds should go to the victims and to remedy the actual harm created by these wrongdoers, not to help and support friends of the current administration—again, regardless of which party is in power.

Reform is needed to end this practice, and Congress should enact H.R. 788, the Stop Settlement Slush Funds Act of 2023, immediately because not only do we see that these funds are redirected in inappropriate ways but these settlements amount to a form of executive branch spending that has not been approved or even reviewed by Congress.

Accordingly, these settlement slush funds undermine congressional oversight, agency accountability, and the power of the purse. The responsibility of the power of the purse falls solely on Congress, and we should have the authority to direct the funding of these settlement agreements, not the executive branch's special interests.

Moreover, money from settlements with companies and individuals should benefit the harmed and remedy the underlying actual wrongdoing. Those funds should not be redirected to non-profits supporting the political agendas of the administration.

Let's stop this practice today. We can do it if we pass this bill. Let us pass the Stop Settlement Slush Funds Act of 2023.

Mr. NADLER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE. Mr. Speaker, I thank the ranking member of the full committee and the manager of this presentation on the floor for dealing with H.R. 788.

Mr. Speaker, I rise to save lives. This baffles me when good work is being done and has been done over the years. No one has complained about misconduct of the recipients of the settle-

ment funds helping people who have been impacted negatively, sometimes with irreparable harm. They are assisted by a number of organizations making a difference.

Rather, we want to go forward with the corporate unaccountability act, making this an unreasonable attempt and unconstitutional attempt by Members on the other side to stop protecting victims and protect wrongdoers, which is a continuation of the dangerous behavior that has brought about this settlement.

What do Americans look to their Federal Government for? They look to the government to be their rock, their anchor in times of natural disasters, man-made and otherwise. They look to their government in times of war and peace for us to defend this Nation. They certainly look to make sure that in the normal comings and goings of their work with their families, their communities, that someone is looking out for them. That is what the settlement opportunities give to our various agencies.

This would allow the continued work, rather than the taking away of these dollars from legitimate groups that are helping to make life better. This weakens the Federal Government's ability to settle these issues. It takes away the idea of legal aid and legal aid organizations being able to help individuals without access to legal assistance. It helps develop community banking, financial institutions. It gives housing opportunities to those who have been taken advantage of.

We know that we are in a condition of toxic air and toxic contamination in our neighborhoods, and what does the ability to settle the disaster that has been created do? It tells those offenders this is how they make the community whole. This is how they save lives.

I know it well in Fifth Ward, Texas, and the surrounding areas. For a long time, a corporate offender contaminated the soil. They were growing plants and flowers, so whole neighborhoods had an epidemic of cancer. There were whole generations that lived around this particular toxic site, but it was only the Federal Government—the EPA, in particular—under the Biden administration that came in and got a handle on this and insisted that the health needs of these individuals, the cleanup needs of these individuals, was going to be taken care of.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NADLER. Mr. Speaker, I yield an additional 1 minute to the gentleman from Texas.

Ms. JACKSON LEE. Mr. Speaker, I thank the gentleman from New York, the ranking member, for yielding additional time.

This is not that s-word. I don't even want to say it because it means that it is something wrong. This is a good settlement opportunity that will help the public in fighting against bad actors. It will work on improving the criminal

justice system, bankruptcies, the environment, civil rights laws, the Fair Housing Act, and the Servicemembers Civil Relief Act.

This is a pathway to disaster. That is what H.R. 788 is. Don't be fooled, Mr. Speaker. What we want to do is help the American people and eliminate H.R. 788, which is going to take away the tools to be able to help them.

Mr. Speaker, I started out by saying we want to save lives, and that is what we want to continue to do in these dastardly conditions that have happened all over the Nation. We want the Federal Government to be standing next to Americans and to be able to help them.

Mr. Speaker, I include in the RECORD a letter from several organizations that oppose H.R. 788.

JANUARY 8, 2024.

Re Oppose H.R. 788—The Prevention of Community Restoration Act.

DEAR REPRESENTATIVE: We urge you to oppose H.R. 788, the so-called "Stop Settlement Slush Funds Act of 2023". The bill prohibits settlement agreements where the United States is a party from including certain "donations" to non-federal actors, primarily non-profits, educational, and community-based organizations.

Under existing laws, settlements from federal enforcement actions can include payments to third parties to advance programs that assist with recovery, benefits, and relief for communities harmed by lawbreakers, to the extent such payments further the objectives of the enforcement action. H.R. 788 would cut off any payments to third parties other than individualized restitution and other forms of direct payment for "actual harm." That restriction would handcuff federal enforcement officials by limiting the ability of federal enforcement officials to negotiate real relief for harms caused to the public by illegal conduct that is the subject of federal enforcement actions.

This bill would be a gift to lawbreakers at the expense of families and communities suffering from injuries that cannot be addressed by direct restitution because the bill would prevent federal agencies from negotiating forms of relief that would address injuries to the public that may be either non-quantifiable or indeterminate. These forms of relief are crucial when harm is difficult to monetize, such as damage to the environment, the collateral consequences to communities resulting from predatory lending by financial institutions, or unknown health outcomes to individuals resulting from chemical exposures in the workplace.

Under current law, the legitimacy and utility of federal enforcement settlements that include payments to third parties is clear, as long as such payments bear a nexus to the prosecutorial objectives of the agency. This bill would supplant the wisdom of officials at DOJ and federal agencies to craft appropriate remedies.

This bill is also just another example of Congressional overreach into executive branch decision-making. Not only does it disregard the needs of future Administrations, but the bill is sloppily crafted, failing to provide even a basic definition of the "donations" or payments in question.

Further, the bill assumes that the government is always going to be the party seeking to enforce the law, but this is a fallacy. Laws are often enforced against the government, and the government sometimes pays restitution to litigants. There is a role for third parties to ensure that settlements involving the government are followed and enforced.

Third parties that receive third-party payments include nonprofits, community organizations, or trusts or foundations that provide vital services in their communities. Members of Congress should applaud the good work of these organizations that serve the public good rather than vilify them.

We urge you to oppose H.R. 788.

Sincerely,

Yosef Robele & Brielle Green, Earthjustice, American Association of Justice, American Federation of State, County and Municipal Employees (AFSCME), American Federation of Teachers, Center for Biological Diversity, Center for Justice & Democracy, Center for Progressive Reform, Clean Water Action, Earthjustice, Environmental Defense Fund, Environmental Law & Policy Center, Environmental Working Group, Government Information Watch, Impact Fund, League of Conservation Voters, National Association of Consumer Advocates, National Consumers League, NRDC, Nuclear Information and Resource Service, Public Justice, Union of Concerned Scientists, Waterkeeper Alliance.

Ms. JACKSON LEE. Mr. Speaker, I urge my colleagues to vote against H.R. 788. Don't take that tool away. Help the American people.

Mr. Speaker, I rise today in strong opposition to H.R. 788, the Stop Settlement Slush Funds Act of 2023.

This bill would undermine our ability to hold corporate wrongdoers accountable for unlawful conduct.

H.R. 788, which otherwise could be called the "Corporate Unaccountability Act," is another unconscionable attempt by some extreme members on the other side of the aisle to protect corporate wrongdoers at the expense of their victims and a continuation of this majority's dangerous quest to prevent federal agencies from enforcing key protections.

H.R. 788 is yet another in a series of harmful bills that pose a direct threat to a broad range of critical protections Americans rely on in their daily lives by making it harder for federal agencies to implement, execute and enforce the laws passed by Congress.

These bills are part of the extreme MAGA Republican agenda, which seeks to render the federal government ineffective by any means necessary.

First, they proposed defunding and abolishing agencies that do not suit their radical views.

Then, they broadened their scope and put forward their Default on America Act, and later their extreme CR, which would have massively underfunded the federal government, hurting its ability to address our nation's most important priorities.

This week, the sabotage continues with legislation that puts corporate interests over communities by making it harder for agencies to hold corporations accountable for unlawful conduct and depriving victims of meaningful relief.

H.R. 788 would prohibit federal agencies from entering or enforcing legal settlement agreements that include payments to third parties in cases of corporate misconduct.

These third-party payments are important when the conduct at issue results in generalized harm, such as violations of public health, environmental or consumer protections.

Recipients are often nonprofit, educational and community-based organizations.

For example, the Department of Justice has reached settlement agreements in connection with the mortgage lending practices of major

banks that required payments to legal aid organizations, community development financial institutions and housing counseling groups.

Eliminating this practice, as H.R. 788 threatens to do, would materially weaken the federal government's ability to hold bad actors accountable for their unlawful conduct in a way that effectively addresses the societal injuries they have caused.

This extreme and misguided legislation has earned opposition from both the Biden Administration and a broad coalition of groups, has zero Democratic cosponsors and only advanced out of the House Judiciary Committee by a party-line vote.

According to President Biden's Statement of Administration Policy, H.R. 788 is unnecessary and "would have adverse effects on the Federal government's ability to enforce key laws protecting the public, including criminal, bankruptcy, environmental and civil rights laws such as the Fair Housing Act and the Servicemembers' Civil Relief Act."

It should also be noted that the following groups who have come out in opposition of this irresponsible and dangerous bill:

American Association of Justice; American Federation of State, County and Municipal Employees; American Federation of Teachers; Center for Biological Diversity; Center for Justice & Democracy; Center for Progressive Reform; Clean Water Action; Coalition for Sensible Safeguards; Earthjustice; Environmental Defense Fund; Environmental Law & Policy Center; Environmental Working Group; Government Information Watch; Impact Fund; League of Conservation Voters; National Association of Consumer Advocates; National Consumers League; NRDC; Nuclear Information and Resource Service; Public Justice; Union of Concerned Scientists; and Waterkeeper Alliance.

Let me also highlight the fact that the Administration strongly opposes the House passage of H.R. 788, the Stop Settlement Slush Funds Act of 2023, because the legislation is unnecessary and would harm the public interest.

H.R. 788 would prohibit the Federal government from entering into settlement agreements that include payments directed to appropriate parties.

This legislation seeks to address a problem that does not exist—the Federal government does not create or use "slush funds."

When the Federal government settles a case with those who violate the law, it seeks to hold bad actors accountable, to appropriately remedy the harm they have caused, and to prevent the recurrence of those harms.

H.R. 788 would have adverse effects on the Federal government's ability to enforce key laws protecting the public, including criminal, bankruptcy, environmental, and civil rights laws such as the Fair Housing Act and the Servicemembers' Civil Relief Act.

This bill would needlessly prohibit a widely respected and effective enforcement tool.

Specifically, it would block many agencies from including certain terms providing for payment to third parties in settlement agreements to which the United States is a party.

In the past, agencies have sometimes opted to work with entities that have violated regulatory requirements to agree to alternative forms of remediation.

These efforts have resulted in settlement agreements that include payments by those

entities to third parties to advance programs that assist with recovery, benefits, or relief for communities harmed by the wrongdoing addressed in the enforcement action.

In this way, H.R. 788 would thwart federal enforcement officials' ability to negotiate appropriate relief for harm caused to the public by parties that are the subject of the enforcement action.

The criticisms of third-party settlements are misplaced: they do not unduly undermine congressional appropriation power, and they must satisfy basic requirements to be used.

The Congressional Research Service has found settlement payments to non-federal actors are permissible remedies to the extent they bear a nexus to the prosecutorial objectives of the agency.

Moreover, developing guidelines on appropriate scope, purpose, and use of third-party payments appropriately lie with the executing agency, which has the benefit of expertise and experience.

In sum, this bill is counterproductive and would undermine law enforcement goals by reducing the availability of effective remedies to address injuries to individuals and communities caused by illegal conduct. We therefore urge you to oppose H.R. 788, the Stop Settlement Slush Funds Act of 2023.

Mr. GOODEN of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Montana (Mr. ZINKE).

Mr. ZINKE. Mr. Speaker, I rise in strong support of H.R. 788.

First of all, we should ask what good governance looks like. I know that in the House of Representatives today, perhaps we are not reflective of good governance, but good governance, I would say, should include transparency. It should also include, I think, fairness, rule of law, and defending the Constitution, to which we all have sworn an oath.

Article I, Section 9 in the Constitution says what? No money should be removed from the Treasury unless by consequence of appropriations by law. It is in the Constitution.

Let me share a story about when I was Secretary. It is called sue, settle, and seal. I am sure that my good friend, the gentleman from New York, is aware of it.

Let's say an administration writes a rule that is somewhat flawed. Let's say the administration invites a lawsuit from, let's say, the Center for Biological Diversity or other nonprofits. Let's say that department then decides to settle. On what conditions? Those conditions are met by the Department of Justice and not the Department of the Interior in this example. They are settled, and then the final act is that they seal them.

In one case, I asked the President of the United States, which would be President Trump, I said: Mr. President, I have serious concerns about the conditions of this settlement. I would like you to ask the Attorney General to allow the Secretary of the Interior to view those.

The President's answer was: I don't have the authority.

Then, I asked Congress: Mr. Speaker, you have the power of the purse by the

Constitution. I would like you, sir, to tell me the conditions of the settlement. Follow the money. Where did the money go?

His answer was: I don't have the authority.

When neither the President of the United States, the executive, nor the House of Representatives, which controls the purse, have the authority to look at sue, settle, and seal, something is wrong. That is what is called corruption.

All of this should attain to the same thing—transparency. Furthermore, whose money is it? I have heard today it is the Federal Government's money. It is not. The government does not have the money. It is the taxpayers'. It is the citizens of this great Nation whose money we allocate and, by Constitution, we appropriate.

Mr. Speaker, I stand in strong support of this bill, and I thank the great gentleman from Texas for bringing it forward.

□ 1445

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

My Republican friends seem to be under a misconception about the bill. They keep saying that it unconstitutionally removes money from the Treasury without appropriation. It does no such thing. It removes not a dime from the Treasury. None of this money is the government's money to start with.

The government sues some group or company for malefaction, for damaging people. A settlement is reached. Under the terms of that settlement, the bulk of the money goes to the Treasury, and there it stays. A small proportion of that money goes to an organization that attempts to make somewhat whole the victims of the corporate malfeasance that caused the lawsuit in the first place, but no money is removed from the Treasury. On the contrary, money is placed into the Treasury, money from the corporate malefactor. Some money from the corporate malefactor, a small proportion, goes to an organization that tries to help make not whole but a little better the victims of the malefaction by the corporation in the first place.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

It is really not always the case that the government gets a cut of these settlements. Let me give one example. A recent and shocking example involves the Epstein scandal. JPMorgan Chase entered into a \$75 million settlement for its role facilitating Mr. Epstein's heinous practices.

It has been reported—of course, we don't know all the details here—that of the \$75 million settlement that they had in the Virgin Islands, \$30 million went to charity—we don't know which ones—\$25 million went to enhance Vir-

gin Islands infrastructure—I am sure that was all appropriately spent—and \$20 million went to attorneys' fees. None of it went to the U.S. Treasury. We now have reports of another settlement that they are working on with the Justice Department. We don't know where that went.

Again, I will bring you back to this graphic I have. Of all the settlement funds, no one in this Chamber, no one in this building, no Member of Congress knows where 98.6 percent of that money went.

Whatever you are hearing about how great these settlement slush funds are by the other side, they are only talking about what they think they know of the 1.4 percent, and what they think they know is what they are told because there is no accountability for these funds.

Unlike Federal funds, which Congress should be appropriating, where we hold organizations accountable—if an entity is receiving Federal dollars, they have to account for it—when these settlement slush funds go out to whatever organization they go to, we don't have any idea how they are being spent. No Member of Congress has any control over that money.

Mr. NADLER is right, it doesn't belong to the Federal Government, but when it is deposited into the Treasury instead of given to some aid group or whatever alleged great cause that the Justice Department is telling us exists, when it is deposited into the Treasury, then Congress gets to appropriate it because it is the people's money to handle as they see fit.

First of all, victims should be given restitution, not some slush fund that claims to do right by victims. Secondly, after the victims, the money, if we want to do right, if we want to go enhance the soils after a disaster in Congresswoman JACKSON's district, that is something that the executive branch should oversee with Federal dollars that this body appropriates. That is not something that we should outsource to some group at the direction of the executive branch.

I share my colleague's concerns about victims. I am disappointed that the other side would stand up for these big businesses that are actually getting great deals, unfair deals where they get to write some slush fund check to some group that we have no way of showing any kind of accountability over. These big businesses are walking away. It is shocking to me that the other side is standing up for a process that actually lets big offenders walk away with a sweet deal and a good little PR press release. It is a shame.

Mr. Speaker, I urge my colleagues to support this bill and oppose this practice.

Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. NORMAN).

Mr. NORMAN. Mr. Speaker, I rise in strong support of H.R. 788, the Stop Settlement Slush Funds Act of 2023.

To be honest with you, I am amazed we are even debating this. The other side always takes the position they are for the little man. We are talking about giving money to people who have been harmed instead of letting the Federal Government keep it.

I also heard my colleague from Texas cite how government is the gold standard, how government provides clean air, clean water, clean streets. The very State that she and Representative GOODEN are from, Texas, is being overrun by illegals. Where is the government? Where is the government in stopping this illegal invasion on the border? It is for pure power. It is for reelection purposes. They are putting the American people at severe risk.

Let me give Congressman GOODEN some other examples of money that did not go to the victim. It went to a slush fund that was not revealed until people were asking about it. It is the example of the Obama-era EPA settlement with Volkswagen, where billions were diverted to projects Congress explicitly chose not to fund. It went to projects Congress didn't even fund.

We have to restore accountability and order. This bill will correct a horrible trend that is developing in government, and the people who support government now is less than 5 percent. They have lost trust in government.

Mr. Speaker, I appreciate Mr. GOODEN bringing this bill up. It is a great bill, and I hope we can get it passed.

Mr. NADLER. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Mr. GOODEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

Before I close, I will be nice and give my friends across the aisle a little gift. I realize they think all these are great, so for the sake of being bipartisan, I am going to give an example of a bad actor that was a Republican with respect to these slush funds.

Back in 2005, then-United States Attorney Chris Christie required the pharmaceutical company Bristol Myers Squibb to donate to his law school alma mater, Seton Hall University. In exchange for not charging the drug-making giant with securities fraud, Christie's office would require it to fund a professorship at Seton Hall University Law School, Christie's alma mater.

Do we really think that is good policy?

It doesn't matter who is in the White House, what party is controlling the executive branch, this is a wrong policy. I hope this bill passes.

My colleague did say it is dead in the Senate. Let's just assume it is dead in the Senate. I pledge here before this entire body that if we have a Republican President someday, I will carry this bill forward, and I am willing to bet that someone across the aisle will join me because they won't like the conservative, far-right groups that a

Republican Justice Department is diverting slush funds to.

I hope that my colleagues will get on board now. If this bill should not make it to the President's desk, I will be right back here in a year, God willing, if a Republican is President, and I hope my colleagues will join me then.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself the balance of my time to close.

I reiterate that H.R. 788 is a solution in search of a problem that if enacted would seriously hamstring the ability of Federal agencies to hold corporate wrongdoers accountable to the American public.

Given its potentially broad impact, H.R. 788 is opposed by a wide range of environmental, civil justice, labor, and consumer advocacy groups, including the American Federation of State, County, and Municipal Employees, the American Federation of Teachers, Earthjustice, the Environmental Defense Fund, the League of Conservation Voters, the American Association for Justice, the National Association of Consumer Advocates, and the National Consumers League.

If the underlying practice, as my friends on the other side of the aisle say, were really such a gift to corporations, why has the Chamber of Commerce come out in favor of this bill?

Mr. Speaker, I urge my colleagues to vote "no" on H.R. 788, and I yield back the balance of my time.

Mr. GOODEN of Texas. Mr. Speaker, this is really bad business for the American people. These settlement slush funds are wrong no matter who is in power and, frankly, victims are being overlooked. Victims should be made whole, and any other kind of settlement the government wants to work out with wrongdoers should be a fine to the United States Treasury because whatever good cause we may agree or disagree about for restitution for larger groups of victims, perhaps, that is something this Congress should decide through the appropriations process.

I encourage my colleagues to join me in stopping this practice. We have seen abuses all the way from the Bush administration to the present, and it needs to stop.

Mr. Speaker, I urge my colleagues to support H.R. 788, and I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate on the bill has expired.

AMENDMENT NO. 1 OFFERED BY MR. MCCORMICK

The SPEAKER pro tempore. It is now in order to consider amendment No. 1 printed in House Report 118-342.

Mr. MCCORMICK. Mr. Speaker, I have an amendment at the desk.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 3, line 13, after "submit" insert "and make available on a publicly accessible website,".

The SPEAKER pro tempore. Pursuant to House Resolution 947, the gen-

tleman from Georgia (Mr. MCCORMICK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. MCCORMICK. Mr. Speaker, I rise to offer an amendment to H.R. 788.

I thank Representative GOODEN and the Judiciary Committee for crafting this crucial piece of legislation that will further our mission of holding the executive branch accountable.

The underlying bill is trying to fix an important issue. The Biden administration, or any administration for that matter, should not be directing settlement funds to support their radical social agendas by financing politically favored third-party entities or programs, sometimes completely unrelated to the original litigation. This practice is just wrong.

My amendment is simple. It creates transparency by requiring the annual violation audits conducted by the inspector generals in section 2(f) of this bill to be made publicly available on an accessible website. The American people deserve to know what their government is doing. If a government agency, in violation of law, is directing these settlement payments to support political agendas, the public should know.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I claim the time in opposition, though I am not opposed.

The SPEAKER pro tempore. Without objection, the gentleman from New York is recognized for 5 minutes.

There was no objection.

Mr. NADLER. Mr. Speaker, I will not take 5 minutes.

Mr. Speaker, for all the reasons I have stated here, this is a terrible bill. This amendment makes it no worse. Therefore, I don't oppose it.

Mr. Speaker, I yield back the balance of my time.

Mr. MCCORMICK. Mr. Speaker, in closing, I am glad he does not oppose it because it is transparency on a bill that is meant to create transparency. I hope nobody opposes that.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the rule, the previous question is ordered on the amendment offered by the gentleman from Georgia (Mr. MCCORMICK).

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mrs. FOUSHEE. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mrs. Foushee of North Carolina moves to recommit the bill H.R. 788 to the Committee on the Judiciary.

The material previously referred to by Mrs. FOUSHEE is as follows:

Mrs. Foushee moves to recommit the bill H.R. 788 to the Committee on the Judiciary with instructions to report the same back to the House forthwith with the following amendment:

Page 2, line 7, insert after "settlement agreement" the following: "(except as provided in subsection (g))".

Add at the end of the bill the following:

(g) EXCEPTION.—The provisions of this Act do not apply in the case of a settlement agreement that pertains to the abuse and diversion of prescription and synthetic opioids, including fentanyl, and that includes allegations of false claims against the United States related to a health care benefit program (as such term is defined in section 24 of title 18, United States Code).

The SPEAKER pro tempore. Pursuant to clause 2(b) of rule XIX, the previous question is ordered on the motion to recommit.

The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mrs. FOUSHEE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question are postponed.

□ 1500

PROVIDING FOR CONGRESSIONAL DISAPPROVAL UNDER THE RULE SUBMITTED BY THE FEDERAL HIGHWAY ADMINISTRATION RELATING TO "WAIVER OF BUY AMERICA REQUIREMENTS FOR ELECTRIC VEHICLE CHARGERS"

Mr. GRAVES of Missouri. Mr. Speaker, pursuant to House Resolution 947, I call up the joint resolution (S.J. Res. 38) providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Federal Highway Administration relating to "Waiver of Buy America Requirements for Electric Vehicle Chargers," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Pursuant to House Resolution 947, the joint resolution is considered read.

The text of the joint resolution is as follows:

S.J. RES. 38

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress disapproves the rule submitted by the Federal Highway Administration relating to "Waiver of Buy America Requirements for Electric Vehicle Chargers" (88 Fed. Reg. 10619 (February 21, 2023)), and such rule shall have no force or effect.

The SPEAKER pro tempore. The joint resolution shall be debatable for 1 hour, equally divided and controlled by the chair and ranking minority member of the Committee on Transportation and Infrastructure or their respective designees.