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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend section 1304 of title 31, United States Code to restrict payments for compromise settlements or awards.

IN THE HOUSE OF REPRESENTATIVES

Mr. RASKIN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend section 1304 of title 31, United States Code to restrict payments for compromise settlements or awards.

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 “No Taxpayer-Funded
5 Settlement Slush Funds Act of 2026”.

6 **SEC. 2. RESTRICTION ON FEDERAL FUNDS IN CONNECTION**

7 **WITH TRUMP, ET AL. V. IRS, ET AL..**

8 No Federal funds may be used to create or make pay-
9 ments to fund the compensation fund created by the set-

1 tlement agreement entered into on May 18, 2026 in con-
2 nection with the disposition of *Trump, et al. v. IRS, et*
3 *al.*, Civil Action No. 1:26-cv-20609–KMW, before the U.S.
4 District Court for the Southern District of Florida.

5 **SEC. 3. RESTRICTION ON CERTAIN PAYMENTS FOR COM-**
6 **PROMISE SETTLEMENTS OR AWARDS.**

7 Section 1304 of title 31, United States Code, is
8 amended by adding at the end the following:

9 “(e) A compromise settlement or award may not be
10 paid to—

11 “(1) the President or Vice President;

12 “(2) the parent, spouse, child, or spouse of a
13 child of the President or Vice President;

14 “(3) a presidentially-owned entity;

15 “(4) any member of the cabinet;

16 “(5) any individual who is employed by the Ex-
17 ecutive Office of the President who is paid at a rate
18 of basic pay equivalent to or exceeding the GS–15
19 level;

20 “(6) a political appointee; and

21 “(7) an individual who served in a position de-
22 scribed under paragraph (4), (5), or (6) during the
23 period for which the President who appointed such
24 individual is in Office, including any period after
25 such individual leaves such a position.

1 “(f) A compromise settlement or award may not be
2 paid with respect to a claim alleging harm resulting from
3 an investigation, prosecution, or conviction for an offense
4 related to—

5 “(1) the January 6, 2021, attack on the United
6 States Capitol;

7 “(2) interference in the 2016 presidential elec-
8 tion by a foreign government; or

9 “(3) the same facts or circumstances as a civil
10 action filed against the United States that was dis-
11 missed with prejudice.

12 “(g)(1) Not later than 30 days after the date on
13 which a payment of more than \$100,000 is made for a
14 compromise settlement or award in accordance with this
15 section, and notwithstanding any other provision of law,
16 the Secretary of the Treasury shall report to the Chair
17 and Ranking Members of the Committees on the Judiciary
18 of the House of Representatives and the Senate, the fol-
19 lowing:

20 “(A) The name of the plaintiff or awardee
21 of such settlement or award.

22 “(B) The type of judgment for which the
23 settlement or award was made.

24 “(C) The name of each attorney rep-
25 resenting the plaintiff or awardee.

1 “(D) The name of each agency involved in
2 the claim and the name of each official approv-
3 ing such settlement or award.

4 “(E) A brief description of the facts and
5 circumstances that gave rise to the settlement
6 or award and the authority authorizing such
7 settlement or award.

8 “(2) The Secretary of the Treasury shall provide no-
9 tice to the Committees on the Judiciary of the House of
10 Representatives and of the Senate prior to authorizing a
11 payment for a compromise settlement or award in accord-
12 ance with this section if that payment—

13 “(A) is of more than \$250,000 to be made for
14 a compromise settlement or award in accordance
15 with this section; or

16 “(B) is to be made on the basis of imminent
17 litigation or suit against the United States, or
18 against its agencies or officials upon obligations or
19 liabilities of the United States.

20 “(3) A payment for which a notice is required to be
21 submitted under paragraph (2) may not be made for a
22 period of 120 days after the date on which such notice
23 is received.

24 “(h) In the case that a compromise settlement or
25 award is made in violation of subsection (e) or (f), the

1 Attorney General may bring a civil action against a plain-
2 tiff or awardee who received a settlement or award in vio-
3 lation of subsection (e) or (f) in an appropriate district
4 court for injunctive relief and repayment of such settle-
5 ment or award.

6 “(i) Nothing in this section, or an amendment made
7 by this section, shall be construed to prohibit Congress
8 from appropriating funds for a payment prohibited by this
9 section on an individual per claim basis.

10 “(j) A settlement or award made on or after January
11 20, 2025, (including any settlement or award entered into
12 prior to the date of the enactment of this subsection) shall
13 be subject to the requirements of subsections (e) through
14 (h).

15 “(k) The Secretary of the Treasury may not establish
16 a compensation fund, or approve a payment to such a
17 fund, and no Federal funds may be used by the Secretary
18 to so establish such a fund or approve such a payment—

19 “(1) pursuant to a compromise settlement with
20 the President; or

21 “(2) if such payment would be in violation of
22 subsection (e) or (f) if made from the Judgment
23 Fund.

24 “(l) In this section—

1 “(1) the term ‘presidentially-owned entity’
2 means a corporation, association, partnership, lim-
3 ited liability company, limited liability partnership,
4 other legal entity, or sole proprietorship in which the
5 President or Vice President has an ownership stake,
6 except that such term does not include an entity in
7 which more than 100 people have an ownership
8 stake and the President or Vice President, as appli-
9 cable, holds no more than five percent in a beneficial
10 ownership stake and that—

11 “(A) issues securities registered with the
12 Securities and Exchange Commission pursuant
13 to section 12 of the Securities Exchange Act of
14 1934 (15 U.S.C. 78l);

15 “(B) is an investment company registered
16 pursuant to section 8 of the Investment Com-
17 pany Act of 1940 (15 U.S.C. 80a–8) that does
18 not have a stated policy of concentrating the in-
19 vestments of the investment company in any in-
20 dustry, business, single country other than the
21 United States, or bonds of a single State within
22 the United States; or

23 “(C) is a unit investment trust, as defined
24 in section 4 of the Investment Company Act of
25 1940 (15 U.S.C. 80a–4) that—

1 “(i) is a regulated investment com-
2 pany, as defined in section 851 of the In-
3 ternal Revenue Code of 1986; and

4 “(ii) does not have a stated policy of
5 concentrating the investments of the in-
6 vestment company in any industry, busi-
7 ness, single country other than the United
8 States, or bonds of a single State within
9 the United States; and

10 “(2) the term ‘political appointee’ shall have the
11 meaning given such term in section 9803 of title 5.”.