



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 13, 2016

**H.R. 5063
Stop Settlement Slush Funds Act of 2016**

As ordered reported by the House Committee on the Judiciary on May 11, 2016

H.R. 5063 would prohibit government officials from entering into or enforcing any settlement agreement for civil actions on behalf of the United States if that agreement requires the other party to the settlement to make a donation to a third party. That prohibition would not include payments to provide restitution or another remedy that is associated with the basis for the settlement agreement. In recent settlements with the United States, large corporations, such as Goldman Sachs and Bank of America, have been required to donate funds to charitable institutions as a part of their restitution. Such donations typically constitute a very small fraction of overall settlement amounts.

By precluding any such donations in civil settlements that have not been finalized, H.R. 5063 could affect the number and content of future settlements relative to current law. However, CBO cannot determine whether enacting the legislation would lead to an increase or a decrease in the number of such settlements or to a change in the federal receipts and forfeitures stemming from future settlements.

Pay-as-you-go procedures apply because enacting H.R. 5063 could affect direct spending and revenues; however, CBO cannot determine the magnitude or timing of those effects.

CBO estimates that enacting H.R. 5063 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 5063 contains no intergovernmental or private-sector mandates as defined in the Unfunded mandates Reform Act and would not affect the budget of state, local, or tribal governments.

The CBO staff contact for this estimate is Marin Burnett. The estimate was approved by H. Samuel Papenfuss, Deputy Director for Budget Analysis.