

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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The Honorable Bob Goodlatte
Chairman
Committee on the Judiciary
U.S. House of Representatives
Washington, D.C. 20515

The Honorable John Conyers, Jr.
Ranking Member
Committee on the Judiciary
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Goodlatte and Ranking Member Conyers:

The U.S. Chamber of Commerce supports H.R. 732, the “Stop Settlement Slush Funds Act of 2017,” and urges the Committee to favorably report this bill. The Chamber also opposes any weakening or hostile amendments that may be offered.

H.R. 732 prohibits the use of “enforcement slush funds,” a practice that directs a portion of the funds paid under settlement agreements to the enforcement officials’ favored private organizations—organizations who were not a party to the litigation and whose activities further the policy goals of agency officials. This troubling and growing trend, which is outside of the constitutionally-mandated legislative appropriations process, has been documented through research conducted by the Chamber’s Institute for Legal Reform and, according to the House Judiciary and Financial Services Committees, has resulted in nearly a billion dollars in mandatory donations to activist groups.

The use of “enforcement slush funds” raises serious separation of powers concerns and undermines Congress’ exclusive appropriations authority. In the Chamber’s view, federal law enforcement officials need to make decisions in the public interest, not for their own personal or political interest. Congress alone has the power of the purse, and agencies should not be allowed to fund pet projects and special interest groups outside of the appropriations process.

H.R. 732 would help fix this troubling dynamic by prohibiting federal enforcement officials from requiring a defendant to fund an outside group as part of a settlement agreement. It is also important to note that this bill would not limit the ability of the government to enter into settlement agreements that require restitution or remediation payments, particularly for harm to the environment, by the settling defendant.

The Chamber supports H.R. 732 and urges its favorable consideration by the Committee.

Sincerely,



Neil L. Bradley

cc: Members of the Committee on the Judiciary