



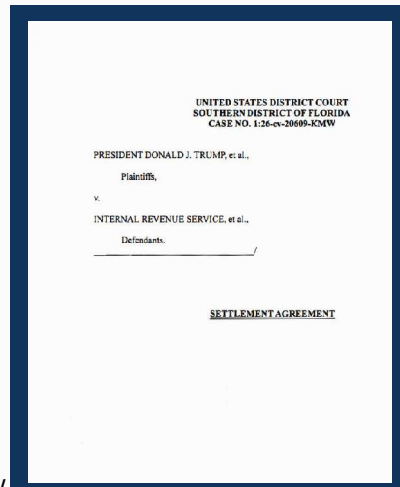
Civics is all around us. There is a lot to know about the government and how “We the People” interact with the government and each other. Let’s help each other expand our civic literacy.

In May 2026, the U.S. Department of Justice [announced](#) the creation of the “Anti-Weaponization Fund” as part of a [settlement in \*President Donald J. Trump v. Internal Revenue Service\*](#). The settlement followed President Trump’s decision to drop a \$10 billion lawsuit against the IRS over the public release of his tax returns. Instead of continuing the case, the parties agreed to establish a \$1.776 billion fund to compensate individuals who claim they were unfairly targeted by the government for political reasons.

According to the acting Attorney General, the program is intended to address past misconduct and ensure that federal power is not used to harm individuals for political purposes. Unlike a typical settlement, however, the money is not paid directly to a specific [plaintiff](#). Instead, it is placed into a new compensation program that allows eligible individuals to apply for payments, with decisions made through a yet-to-be-defined process.

The funding for this program comes from the [Judgment Fund](#), a permanent pool of taxpayer money used to pay certain legal claims against the United States. Congress created the Judgment Fund in 1956 to streamline the payment of court judgments and settlements. Before its creation, Congress had to approve most claims individually, which caused long delays and inconsistent outcomes. The 1956 law established a standing appropriation, later expanded in 1977 to remove monetary limits, allowing the Treasury to pay judgments automatically while still reporting expenditures to Congress.

Although the Judgment Fund made it easier and faster to resolve legal claims, it also shifted significant authority away from Congress. The Constitution’s [Appropriations Clause](#) gives Congress the “power of the purse,” requiring that public funds be spent only as authorized by law. Critics argue that the modern use of the Judgment Fund weakens this role by allowing the executive branch, through the Department of Justice, to settle cases and trigger large payments with limited direct congressional approval.



The [Anti-Weaponization Fund](#) raises new and more complex constitutional questions. First, the structure of the settlement departs from traditional uses of the Judgment Fund, which typically pays specific, court-ordered damages. Here, the government is creating a broad compensation program that distributes money beyond the original plaintiff, raising questions about whether this fits the intended purpose of the fund.

Second, the case itself involves the federal government on both sides, with the president suing a federal agency. This unusual posture has led some to question whether the settlement satisfies the Constitution’s requirement that federal courts hear genuine “[cases or controversies](#).” Others see the arrangement as an example of the executive branch resolving internal disputes in a way that still carries major financial consequences.

Third, there is uncertainty about how eligibility and payments will be determined. Because the fund relies on administrative decisions rather than court judgments, critics argue that it lacks clear standards, transparency, and accountability. These concerns connect to broader debates about whether the executive branch is exercising too much discretion over large sums of taxpayer money.

Supporters of the program argue that the executive branch has long held the authority to settle litigation and that the president has a [constitutional duty](#) to ensure that laws are faithfully executed. From this perspective, the fund provides a mechanism to compensate individuals harmed by government overreach and to deter future abuses of power.

Ultimately, the settlement in *President Donald J. Trump v. Internal Revenue Service* and the creation of the Anti-Weaponization Fund have brought renewed attention to the constitutional boundaries of government power and spending. As details about the fund’s structure, eligibility rules, and oversight continue to emerge, the debate is likely to intensify over whether this use of the Judgment Fund reflects lawful executive action or a shift away from Congress’s constitutional control over federal spending. The outcome of this debate will matter far beyond this single case, shaping future interpretations of how settlements are used, how taxpayer funds are distributed, and how the balance of power between the branches of government is maintained in practice.

**To Think and To Do:** Using the constitutional arguments made by all sides, and your knowledge of founding principles, how do you think the Framers would react to the Judgment Fund? The creation of the “Anti-Weaponization Fund”? What questions might they have? Explain.

## Learn MORE

- [Congress’s Authority to Restrict Monetary Civil Settlements](#), a CRS product from the Library of Congress



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