

116TH CONGRESS
1ST SESSION

H. R. 819

To protect the public from the harmful consequences of the Federal Government shutdown by prohibiting certain actions, to provide enforcement for such prohibition by the Federal Trade Commission, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2019

Mr. TED LIEU of California (for himself and Mr. GALLEGOS) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To protect the public from the harmful consequences of the Federal Government shutdown by prohibiting certain actions, to provide enforcement for such prohibition by the Federal Trade Commission, and for other purposes.

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 “Protecting Families
5 from Government Shutdowns Act”.

6 **SEC. 2. ACTIONS PROHIBITED DURING A FEDERAL GOV-**
7 **ERNMENT SHUTDOWN.**

8 (a) CONDUCT PROHIBITED.—

1 (1) RELIANCE ON GOVERNMENT SERVICE.—It
2 shall be unlawful for an entity to do any of the fol-
3 lowing with respect to a person if that person is un-
4 able to meet an obligation because of Government
5 service is not available during a lapse in appropria-
6 tions:

7 (A) Debt collection.

8 (B) Collect interest on loans accrued dur-
9 ing the lapse.

10 (C) Eviction.

11 (D) Foreclosure.

12 (E) Acceleration or downgrading of credit.

13 (F) Require any other obligation required
14 by law or contract that relies on a Government
15 service not available during a lapse in appro-
16 priations.

17 (2) SERVICE CONTRACTS.—It shall be unlawful
18 for an entity to enforce any penalty provision in a
19 contract for services that is violated as the result of
20 a lapse in appropriations and services being stopped.

21 (b) ENFORCEMENT BY THE FEDERAL TRADE COM-
22 MISSION.—

23 (1) IN GENERAL.—A violation of subsection (a)
24 shall be treated as an unfair and deceptive act or
25 practice in violation of a regulation issued under sec-

tion 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(2) PROMULGATION OF RULE.—Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall, in accordance with section 553 of title 5, United States Code, promulgate rules to prohibit, as an unfair and deceptive act or practice, the conduct described in subsection (a). A violation of such rules shall be treated as a violation of a rule defining an unfair or deceptive act or practice under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)). The Commission shall enforce such rules in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this Act. Any person who violates this Act shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(c) ENFORCEMENT BY STATES.—

(1) AUTHORIZATION.—Subject to paragraph (2), in any case in which the attorney general of a State has reason to believe that an interest of the

1 residents of the State has been or is threatened or
2 adversely affected by a violation of subsection (a),
3 the attorney general of the State may, as *parens*
4 *patriae*, bring a civil action on behalf of the resi-
5 dents of the State in an appropriate district court of
6 the United States to obtain appropriate relief.

7 (2) RIGHTS OF FEDERAL TRADE COMMIS-
8 SION.—

9 (A) NOTICE TO FTC.—

10 (i) IN GENERAL.—Except as provided
11 in clause (iii), the attorney general of a
12 State shall notify the Federal Trade Com-
13 mission in writing that the attorney gen-
14 eral intends to bring a civil action under
15 paragraph (1) before initiating the civil ac-
16 tion against a person for a violation of
17 subsection (a).

18 (ii) CONTENTS.—The notification re-
19 quired by clause (i) with respect to a civil
20 action shall include a copy of the complaint
21 to be filed to initiate the civil action.

22 (iii) EXCEPTION.—If it is not feasible
23 for the attorney general of a State to pro-
24 vide the notification required by clause (i)
25 before initiating a civil action under para-

1 graph (1), the attorney general shall notify
2 the Commission immediately upon insti-
3 tuting the civil action.

4 (B) INTERVENTION BY THE FTC.—The
5 Federal Trade Commission may—

6 (i) intervene in any civil action
7 brought by the attorney general of a State
8 under paragraph (1); and

9 (ii) upon intervening, be heard on all
10 matters arising in the civil action, and file
11 petitions for appeal of a decision in the
12 civil action.

13 (3) PENDING ACTION BY THE FEDERAL TRADE
14 COMMISSION.—If the Federal Trade Commission in-
15 stitutes a civil action or an administrative action
16 with respect to a violation of subsection (a), the at-
17 torney general of a State may not, during the pend-
18 ency of such action, bring a civil action under para-
19 graph (1) against any defendant named in the com-
20 plaint of the Commission for the violation with re-
21 spect to which the Commission instituted such ac-
22 tion.

23 (d) PROHIBITION ON ENFORCEMENT OF AGENCY
24 PENALTIES.—

1 (1) IN GENERAL.—An agency may not enforce
2 any agency penalty (including for a loan, an applica-
3 tion deadline, or other deadline) for a violation that
4 was the result of a lapse in appropriations for that
5 agency. An agency shall extend any such deadline to
6 expire 30 days after the date on which there is no
7 longer a lapse in such appropriations. This prohibi-
8 tion does not create any private right of action.

9 (2) APPLICABILITY.—Any agency that enforced
10 a penalty during the period beginning one year be-
11 fore the date of the enactment of this Act and end-
12 ing on the date of the enactment of this Act shall
13 reverse and nullify any such enforcement to the
14 greatest extent possible.

15 (e) AGENCY GUIDANCE.—Not later than 180 days
16 after the date of the enactment of this Act, the head of
17 each agency shall issue guidance on how that agency—

18 (1) will not enforce any penalties occurring as
19 a result of a lapse in appropriations for that agency,
20 including financial, administrative, and any deadline
21 missed; and

22 (2) will notify the public about the guidance
23 issued pursuant to this subsection.

1 (f) AGENCY DEFINED.—The term “agency” has the
2 meaning given that term in section 551 of title 5, United
3 States Code.

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