

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.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2019

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

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## 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-

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

3 (2) PROMULGATION OF RULE.—Not later than  
4 180 days after the date of enactment of this Act, the  
5 Federal Trade Commission shall, in accordance with  
6 section 553 of title 5, United States Code, promul-  
7 gate rules to prohibit, as an unfair and deceptive act  
8 or practice, the conduct described in subsection (a).  
9 A violation of such rules shall be treated as a viola-  
10 tion of a rule defining an unfair or deceptive act or  
11 practice under section 18(a)(1)(B) of the Federal  
12 Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).  
13 The Commission shall enforce such rules in the same  
14 manner, by the same means, and with the same ju-  
15 risdiction, powers, and duties as though all applica-  
16 ble terms and provisions of the Federal Trade Com-  
17 mission Act were incorporated into and made a part  
18 of this Act. Any person who violates this Act shall  
19 be subject to the penalties and entitled to the privi-  
20 leges and immunities provided in the Federal Trade  
21 Commission Act (15 U.S.C. 41 et seq.).

22 (c) ENFORCEMENT BY STATES.—

23 (1) AUTHORIZATION.—Subject to paragraph  
24 (2), in any case in which the attorney general of a  
25 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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