

116TH CONGRESS
1ST SESSION

H. R. 588

To suspend the enforcement of certain civil liabilities of Federal employees and contractors during a lapse in appropriations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2019

Mr. KILMER (for himself, Mr. SEAN PATRICK MALONEY of New York, Mr. CONNOLLY, Mrs. LEE of Nevada, Mrs. BUSTOS, Mr. KILDEE, Ms. KUSTER of New Hampshire, Mrs. DINGELL, Mr. BRENDAN F. BOYLE of Pennsylvania, Ms. CLARK of Massachusetts, Mr. CUNNINGHAM, Miss RICE of New York, Mr. COURTNEY, Mr. PAPPAS, Mrs. DEMINGS, and Mr. TED LIEU of California) introduced the following bill; which was referred to the Committee on Oversight and Reform, and in addition to the Committees on Financial Services, Education and Labor, Ways and Means, the Judiciary, and House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To suspend the enforcement of certain civil liabilities of Federal employees and contractors during a lapse in appropriations, 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 “Federal Employees
5 Civil Relief Act”.

1 **SEC. 2. PURPOSE.**

2 The purpose of this Act is to provide for the tem-
3 porary suspension of judicial and administrative pro-
4 ceedings and transactions that may adversely affect the
5 civil rights of Federal workers during a shutdown and the
6 30 days following the date that the shutdown ends.

7 **SEC. 3. DEFINITIONS.**

8 In this Act:

9 (1) CONSUMER REPORTING AGENCY.—The term
10 “consumer reporting agency” has the meaning given
11 the term in section 603(f) of the Fair Credit Report-
12 ing Act (15 U.S.C. 1681a(f)).

13 (2) CONTRACTOR.—The term “contractor” has
14 the meaning given the term in section 7101 of title
15 41, United States Code.

16 (3) COURT; JUDGMENT; STATE.—The terms
17 “court”, “judgment”, and “State” have the mean-
18 ings given those terms in section 101 of the
19 Servicemembers Civil Relief Act (50 U.S.C. 3911).

20 (4) COVERED PERIOD.—The term “covered pe-
21 riod” means the period beginning on the date on
22 which a shutdown begins and ending on the date
23 that is 30 days after the date on which that shut-
24 down ends.

25 (5) FEDERAL WORKER.—The term “Federal
26 worker”—

1 (A) means an employee of a Government
2 agency; and

3 (B) includes an employee of a contractor.

4 (6) GOVERNMENT AGENCY.—The term “Gov-
5 ernment agency” means each authority of the execu-
6 tive, legislative, or judicial branch of the Government
7 of the United States.

8 (7) SHUTDOWN.—The term “shutdown” means
9 any period in which there is more than a 24-hour
10 lapse in appropriations for any Government agency
11 or Federal department as a result of a failure to
12 enact a regular appropriations bill or continuing res-
13 olution.

14 **SEC. 4. JURISDICTION.**

15 (a) JURISDICTION.—This Act shall apply to—

16 (1) the United States;

17 (2) each of the States, including each political
18 subdivision of a State;

19 (3) all territory that is subject to the jurisdic-
20 tion of the United States; and

21 (4) Indian country (as that term is defined in
22 section 1151 of title 18, United States Code).

23 (b) APPLICABILITY TO PROCEEDINGS.—This Act—

1 (1) shall apply to any judicial or administrative
2 proceeding that is commenced in any court or agen-
3 cy in any jurisdiction that is subject to this Act; and

4 (2) shall not apply to criminal proceedings or
5 with respect to child support payments.

6 (c) COURT IN WHICH APPLICATION MAY BE
7 MADE.—When, under this Act, any application is required
8 to be made to a court in which no proceeding has already
9 been commenced with respect to a matter, that application
10 may be made to any court that would otherwise have juris-
11 diction over the matter.

12 (d) NOTIFICATION.—

13 (1) IN GENERAL.—The head of the Government
14 agency that employs a Federal worker, or at which
15 a Federal worker performs services, as applicable,
16 shall provide the Federal worker with written notice
17 regarding the benefits provided under this Act—

18 (A) on the date on which the individual be-
19 comes a Federal worker; and

20 (B) periodically after the date described in
21 subparagraph (A), including on the date on
22 which any covered period begins.

23 (2) LEGISLATIVE AND JUDICIAL BRANCH.—
24 With respect to a Federal worker in a Government
25 agency in the legislative branch or judicial branch,

1 (or, in the case of a Federal worker who is an em-
2 ployee of a contractor, who provides services at a
3 Government agency in the legislative branch or judi-
4 cial branch), the officer or employee at the Govern-
5 ment agency who has the final authority to appoint,
6 hire, discharge, and set the terms, conditions, or
7 privileges of the employment of the Federal worker
8 shall provide the notice required under paragraph
9 (1).

10 (3) NOTICE ON EVENT OF SHUTDOWN.—A no-
11 tice provided under paragraph (1)(B) to a Federal
12 worker shall include a statement that such Federal
13 worker is being furloughed or excepted from fur-
14 lough (as the case may be) as a result of the appli-
15 cable shutdown.

16 **SEC. 5. ANTICIPATORY RELIEF.**

17 A Federal worker who is furloughed or required to
18 work without pay during a covered period may apply to
19 a court for a temporary stay, postponement, or suspension
20 with respect to any payment of rent, mortgage, tax, fine,
21 penalty, insurance premium, student loan repayment, or
22 other civil obligation or liability that the Federal worker
23 or individual, as applicable, owes or would owe during the
24 duration of that covered period.

1 **SEC. 6. EVICTIONS.**

2 (a) COURT-ORDERED EVICTION.—Except by the
3 order of a court, a landlord may not, during a covered
4 period—

5 (1) evict a Federal worker from premises that
6 are occupied or intended to be occupied primarily as
7 a residence; or

8 (2) subject premises described in paragraph (1)
9 to a distress.

10 (b) STAY OF EXECUTION.—

11 (1) COURT AUTHORITY.—Upon an application
12 for eviction or distress with respect to premises de-
13 scribed in subsection (a)(1), a court may, upon mo-
14 tion of the court, and shall, if a request is made by
15 or on behalf of a Federal worker, the ability of
16 whom to pay the rent that is the subject of the ac-
17 tion is materially affected by a shutdown—

18 (A) stay the proceedings for a period of 30
19 days after the covered period, unless, in the
20 opinion of the court, justice and equity require
21 a longer or shorter period of time; or

22 (B) adjust the obligation under the lease to
23 preserve the interests of all parties.

24 (2) RELIEF TO LANDLORD.—If a court grants
25 a stay under paragraph (1), the court may grant to

1 the landlord (or other person with paramount title)
2 such relief as equity may require.

3 **SEC. 7. MORTGAGE PROTECTION AND FORECLOSURES.**

4 (a) DEFINITION.—In this section, the term “covered
5 action” means an action relating to an obligation—

6 (1) with respect to real or personal property
7 owned by a Federal worker; and

8 (2) that—

9 (A) originated before the date on which a
10 covered period begins;

11 (B) is in effect on the date on which a cov-
12 ered period begins; and

13 (C) is secured by a mortgage, trust deed,
14 or other security in the nature of a mortgage.

15 (b) STAY OF PROCEEDINGS AND ADJUSTMENT OF
16 OBLIGATION.—If a covered action is filed in a court dur-
17 ing a covered period, the court may, after a hearing and
18 upon the motion of the court, and shall, upon application
19 by the Federal worker if the ability of the Federal worker
20 to comply with the covered obligation is materially affected
21 by the shutdown—

22 (1) stay the proceedings for a period of 30 days
23 after the covered period, unless, in the opinion of the
24 court, justice and equity require a longer or shorter
25 period of time; or

1 (2) adjust the obligation to preserve the inter-
2 ests of all parties.

3 (c) SALE OR FORECLOSURE.—A sale, foreclosure, or
4 seizure of property for a breach of an obligation described
5 in subsection (a) by a Federal worker shall not be valid
6 if made during a covered period except upon the order of
7 a court that is granted before that sale, foreclosure, or
8 seizure, as applicable, with a return made and approved
9 by the court.

10 **SEC. 8. LIENS.**

11 (a) LIENS.—

12 (1) DEFINITION.—In this subsection, the term
13 “lien” includes—

14 (A) a lien—

15 (i) for storage, repair, or cleaning of
16 the property or effects of a Federal work-
17 er; and

18 (ii) on the property or effects de-
19 scribed in clause (i) for any reason other
20 than a reason described in that clause; and

21 (B) a loan that a Federal worker has ob-
22 tained with respect to a motor vehicle.

23 (2) LIMITATION ON FORECLOSURE OR EN-
24 FORCEMENT.—A person holding a lien on the prop-
25 erty or effects of a Federal worker may not, during

1 a covered period, foreclose on or enforce that lien
2 without the order of a court that was issued before
3 the date on which that foreclosure or enforcement
4 occurs.

5 (b) STAY OF PROCEEDINGS.—In a proceeding to
6 foreclose on or enforce a lien that is subject to this section,
7 a court may, upon the motion of the court, and shall, if
8 requested by a Federal worker, the ability of whom to
9 comply with the obligation resulting in the proceeding is
10 materially affected by a shutdown—

11 (1) stay the proceedings for a period of 30 days
12 after the covered period, unless, in the opinion of the
13 court, justice and equity require a longer or shorter
14 period of time; or

15 (2) adjust the obligation to preserve the inter-
16 ests of all parties.

17 **SEC. 9. STUDENT LOANS.**

18 (a) DEFINITION OF STUDENT LOAN.—In this sec-
19 tion, the term “student loan” means the following:

20 (1) A loan made, insured, or guaranteed under
21 title IV of the Higher Education Act of 1965 (20
22 U.S.C. 1070 et seq.), including any Federal Direct
23 Stafford Loan, Federal Direct Unsubsidized Staf-
24 ford Loan, Federal Direct PLUS Loan, or Federal
25 Direct Consolidation Loan.

1 (2) A private education loan, as such term is
2 defined in section 140(a) of the Truth in Lending
3 Act (15 U.S.C. 1650(a)).

4 (b) APPLICATION TO STUDENT LOANS.—This section
5 shall apply to any situation in which—

6 (1) the student loan payment of a Federal
7 worker falls due or remains unpaid during a covered
8 period; and

9 (2) during the shutdown applicable to the cov-
10 ered period described in paragraph (1), the Federal
11 worker described in that paragraph has been fur-
12 loughed or required to work without pay.

13 (c) DEFERMENT ELIGIBILITY.—During a covered pe-
14 riod, a Federal worker shall be eligible for deferment, dur-
15 ing which, with respect to a student loan, periodic install-
16 ments of principal need not be paid and interest shall not
17 accrue.

18 (d) LIMITATION ON DEFAULTS.—If the student loan
19 payment of a Federal worker falls due and remains unpaid
20 during a covered period, the lender with respect to the stu-
21 dent loan may not place the loan in default without the
22 order of a court.

23 (e) LIMITATION ON COLLECTIONS.—If the student
24 loan of a Federal worker has been placed in default before
25 the date on which a shutdown begins, the lender with re-

1 spect to the student loan may not, without the order of
2 a court, perform any of the following activities during the
3 covered period with respect to the shutdown:

4 (1) Send the loan to collection.

5 (2) Report adverse information with respect to
6 the Federal worker to a consumer reporting agency.

7 (3) Garnish wages, tax refunds, or government
8 benefits.

9 (f) COURT STAY.—In a proceeding to collect a stu-
10 dent loan payment that is subject to this section, a court
11 may, upon the motion of the court, and shall, if requested
12 by a Federal worker, the ability of whom to comply with
13 the obligation resulting in the proceeding is materially af-
14 fected by a shutdown—

15 (1) stay the proceeding for 30 days after the
16 applicable covered period; or

17 (2) adjust the obligation to preserve the inter-
18 ests of all parties.

19 **SEC. 10. INCOME TAXES.**

20 (a) DEFERRAL OF TAX.—Upon notice to the Internal
21 Revenue Service, the collection of Federal income tax on
22 the income of a Federal worker falling due during a cov-
23 ered period shall be deferred for a period of not more than
24 90 days after the date on which the covered period ends

1 if the ability of the Federal worker to pay the income tax
2 is materially affected by the shutdown.

3 (b) ACCRUAL OF INTEREST OR PENALTY.—No inter-
4 est or penalty shall accrue during the period of deferment
5 under subsection (a) by reason of nonpayment on any
6 amount of tax deferred under this section.

7 (c) STATUTE OF LIMITATIONS.—The running of a
8 statute of limitations against the collection of tax deferred
9 under this section, by seizure or otherwise, shall be sus-
10 pended for the covered period to which the collection ap-
11 plies.

12 (d) APPLICATION LIMITATION.—This section shall
13 not apply to the tax imposed on employees under section
14 3101 of the Internal Revenue Code of 1986.

15 **SEC. 11. INSURANCE PROTECTION.**

16 (a) DEFINITION.—In this section, the term “covered
17 insurance policy” means a policy—

18 (1) for—

19 (A) health insurance;

20 (B) life insurance;

21 (C) disability insurance;

22 (D) motor vehicle insurance;

23 (E) flood insurance;

24 (F) homeowners insurance; or

25 (G) renters insurance; and

1 (2) that—

2 (A) a Federal worker enters into before the
3 date on which a covered period begins; and

4 (B) is in effect during that covered period.

5 (b) INSURANCE PROTECTION.—Without the order of
6 a court, a covered insurance policy shall not lapse or other-
7 wise terminate or be forfeited because a Federal worker
8 does not pay a premium, or interest or indebtedness on
9 a premium, under the policy that is due during a covered
10 period.

11 **SEC. 12. PROTECTION OF RIGHTS.**

12 (a) EXERCISE OF RIGHTS UNDER CHAPTER NOT TO
13 AFFECT CERTAIN FUTURE FINANCIAL TRANSACTIONS.—
14 An application by a Federal worker for, or the receipt by
15 a Federal worker of, a stay, postponement, or suspension
16 under this Act with respect to the payment of a fine, pen-
17 alty, insurance premium, or other civil obligation or liabil-
18 ity of that Federal worker shall not itself (without regard
19 to other considerations) provide the basis for any of the
20 following:

21 (1) A determination by a lender or other person
22 that the Federal worker is unable to pay the civil ob-
23 ligation or liability, as applicable, in accordance with
24 the terms of the obligation or liability.

1 (2) With respect to a credit transaction between
2 a creditor and the Federal worker—

3 (A) a denial or revocation of credit by the
4 creditor;

5 (B) a change by the creditor in the terms
6 of an existing credit arrangement; or

7 (C) a refusal by the creditor to grant cred-
8 it to the Federal worker in substantially the
9 amount or on substantially the terms requested.

10 (3) An adverse report relating to the credit-
11 worthiness of the Federal worker by or to a person
12 engaged in the practice of assembling or evaluating
13 consumer credit information.

14 (4) A refusal by an insurer to insure the Fed-
15 eral worker.

16 (5) A change in the terms offered or conditions
17 required for the issuance of insurance.

18 (b) REDUCTION OR WAIVER OF FINES OR PEN-
19 ALTIES.—If a Federal worker fails to perform an obliga-
20 tion arising under a contract and a penalty is incurred
21 arising from that nonperformance, a court may reduce or
22 waive the fine or penalty if—

23 (1) the Federal worker was furloughed or re-
24 quired to work without pay during a shutdown on

1 the date on which the fine or penalty was incurred;
2 and

3 (2) the ability of the Federal worker to perform
4 the obligation was materially affected by the shut-
5 down described in paragraph (1).

6 (c) COURT ACTION UPON MATERIAL AFFECT DE-
7 TERMINATION.—If a court determines that a Federal
8 worker is materially affected by a shutdown in complying
9 with a judgment or an order of a court, the court may,
10 upon the motion of the court, and shall, on application
11 by the Federal worker—

12 (1) stay the execution of any judgment or order
13 entered against the Federal worker; and

14 (2) vacate or stay an attachment or garnish-
15 ment of property, money, or debts in the possession
16 of the Federal worker or a third party, whether be-
17 fore or after the entry of a judgment.

18 (d) DEPENDENTS.—Upon application to a court, a
19 dependent of a Federal worker is entitled to the protec-
20 tions under this Act if the ability of the dependent to com-
21 ply with a lease, contract, bailment, or other obligation
22 is materially affected by reason of the impact of a shut-
23 down on the Federal worker.

1 **SEC. 13. ENFORCEMENT.**

2 (a) CIVIL ACTION.—The Attorney General may com-
3 mence a civil action in any appropriate district court of
4 the United States against any person that engages in—

5 (1) a pattern or practice of violating this Act;

6 or

7 (2) a violation of this Act that raises an issue
8 of significant public importance.

9 (b) RELIEF.—In a civil action commenced under sub-
10 section (a), a court may—

11 (1) grant any appropriate equitable or declara-
12 tory relief with respect to the violation of this Act;

13 (2) award all other appropriate relief, including
14 monetary damages, to any person aggrieved by the
15 violation described in paragraph (1); and

16 (3) to vindicate the public interest, assess a civil
17 penalty—

18 (A) in an amount that is not more than
19 \$55,000 for a first violation; and

20 (B) in an amount that is not more than
21 \$110,000 for any subsequent violation.

22 (c) INTERVENTION.—Upon timely application, a per-
23 son that is aggrieved by a violation of this Act with respect
24 to which a civil action is commenced under subsection (a)
25 may—

26 (1) intervene in the action; and

1 (2) obtain such appropriate relief as the person
2 could obtain in a civil action under subsection (d)
3 with respect to that violation, along with costs and
4 a reasonable attorney fee.

5 (d) PRIVATE RIGHT OF ACTION.—Any person that,
6 after the date of enactment of this Act, is aggrieved by
7 a violation of this Act may, in a civil action—

8 (1) obtain any appropriate equitable or declara-
9 tory relief with respect to the violation; and

10 (2) recover all other appropriate relief, includ-
11 ing monetary damages.

12 (e) COSTS AND ATTORNEY FEES.—A court may
13 award to a person aggrieved by a violation of this Act that
14 prevails in an action brought under subsection (d) the
15 costs of the action, including a reasonable attorney fee.

16 (f) NO PREEMPTION.—Nothing in this section may
17 be construed to preclude or limit any remedy otherwise
18 available under other law, including consequential and pu-
19 nitive damages.

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