116TH CONGRESS  
2D SESSION  

H. R. 7750

To prohibit unfair or deceptive acts or practices in connection with the public health emergency resulting from COVID–19, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2020

Mr. Luján (for himself, Mr. Butterfield, Mr. Kennedy, Mr. Loebuck, Mr. McNerney, Mr. Cárdenas, Mr. Grijalva, Mr. Case, Mr. Pascarelli, Ms. Norton, Mr. Welch, Mr. O’Halleran, and Mr. Veasey) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To prohibit unfair or deceptive acts or practices in connection with the public health emergency resulting from COVID–19, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Stopping COVID Scams Act of 2020”.

SEC. 2. ENFORCEMENT AGAINST SCAMS RELATED TO COVID–19.

(a) Authority of the FTC.—
(1) AUTHORITY.—Notwithstanding any other provision of law, any conduct described in paragraph (2) that the Commission finds to be an unfair or deceptive act or practice, shall be treated as a violation of a regulation under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)) regarding unfair or deceptive acts or practices.

(2) CONDUCT DESCRIBED.—The conduct described in this paragraph is any conduct, act, or practice that occurs during the public health emergency declared on January 31, 2020, pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) as a result of confirmed cases of COVID–19, or any renewal thereof.

(b) CONSIDERATIONS.—In determining whether unfair or deceptive acts or practices are associated with the public health emergency in subsection (a), the Commission shall consider—

(1) whether the acts or practices involve goods or services explicitly advertised as related to the public health emergency;

(2) whether the acts or practices involve goods or services for which consumer demand significantly increased in the time period beginning 30 days be-
fore the declaration of the public health emergency until the public health emergency ends; or

(3) whether the acts or practices relate to Federal or State Government responses to the COVID–19 pandemic, including public health response, such as testing and treatment of the disease, and economic response, such as unemployment insurance or stimulus checks.

(e) **Enforcement.**—

(1) **Enforcement by Federal Trade Commission.**—

(A) **Powers of Commission.**—The Commission shall enforce a violation described in subsection (a) 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 (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act. Any person who violates such subsection shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act.

(B) **Effect on other laws.**—Nothing in this Act shall be construed in any way to
limit the authority of the Commission under any other provision of law.

(2) ENFORCEMENT BY STATE ATTORNEYS GENERAL.—

(A) IN GENERAL.—If the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating subsection (a), the attorney general, official, or agency of the State, in addition to any authority it may have to bring an action in State court under its consumer protection law, may bring a civil action in any appropriate United States district court or in any other court of competent jurisdiction, including a State court, to—

(i) enjoin further such violation by such person;

(ii) enforce compliance with such subsection;

(iii) obtain civil penalties; and

(iv) obtain damages, restitution, or other compensation on behalf of residents of the State.
(B) Notice and intervention by the FTC.—The attorney general of a State shall provide prior written notice of any action under subparagraph (A) to the Commission and provide the Commission with a copy of the complaint in the action, except in any case in which such prior notice is not feasible, in which case the attorney general shall serve such notice immediately upon instituting such action. The Commission shall have the right—

(i) to intervene in the action;

(ii) upon so intervening, to be heard on all matters arising therein; and

(iii) to file petitions for appeal.

(C) Limitation on State action while Federal action is pending.—If the Commission has instituted a civil action for violation of this Act, no State attorney general, or official or agency of a State, may bring an action under this paragraph during the pendency of that action against any defendant named in the complaint of the Commission for any violation of this Act alleged in the complaint.

(D) Relationship with state-law claims.—If the attorney general of a State has
authority to bring an action under State law directed at acts or practices that also violate this Act, the attorney general may assert the State-law claim and a claim under this Act in the same civil action.

(3) SAVINGS CLAUSE.—Nothing in this Act shall preempt or otherwise affect any State or local law.

(d) DEFINITIONS.—In this section—

(1) the term “Commission” means the Federal Trade Commission; and

(2) the term “State” means each of the several States, the District of Columbia, each commonwealth, territory, or possession of the United States, and each federally recognized Indian Tribe.