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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. 2668

To amend the Federal Trade Commission Act to affirmatively confirm the authority of the Federal Trade Commission to seek permanent injunctions and other equitable relief for violations of any provision of law enforced by the Commission.

IN THE HOUSE OF REPRESENTATIVES

Mr. CÁRDENAS introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Federal Trade Commission Act to affirmatively confirm the authority of the Federal Trade Commission to seek permanent injunctions and other equitable relief for violations of any provision of law enforced by the Commission.

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 “Consumer Protection
5 and Recovery Act”.

1 **SEC. 2. FTC AUTHORITY TO SEEK PERMANENT INJUNC-**
2 **TIONS AND OTHER EQUITABLE RELIEF.**

3 (a) PERMANENT INJUNCTIONS AND OTHER EQUI-
4 TABLE RELIEF.—Section 13 of the Federal Trade Com-
5 mission Act (15 U.S.C. 53) is amended—

6 (1) in subsection (b)—

7 (A) in paragraph (1), by inserting “has
8 violated,” after “corporation”;

9 (B) in paragraph (2)—

10 (i) by striking “that” and inserting
11 “that either (A)”;

12 (ii) by striking “final,” and inserting
13 “final; or (B) the permanent enjoining
14 thereof or the ordering of equitable relief
15 under subsection (e),”; and

16 (C) in the matter following paragraph
17 (2)—

18 (i) by striking “to enjoin any such act
19 or practice”;

20 (ii) by striking “Upon” and inserting
21 “In a suit under paragraph (2)(A), upon”;

22 (iii) by striking “without bond”;

23 (iv) by striking “proper cases” and in-
24 serting “a suit under paragraph (2)(B)”;

25 (v) by striking “injunction.” and in-
26 serting “injunction, equitable relief under

1 subsection (e), or such other relief as the
2 court determines to be just and proper, in-
3 cluding temporary or preliminary equitable
4 relief.”;

5 (vi) by striking “Any suit” and insert-
6 ing “Any suit under this subsection”; and

7 (vii) by striking “In any suit under
8 this section” and inserting “In any such
9 suit”; and

10 (2) by adding at the end the following:

11 “(e) **EQUITABLE RELIEF.**—

12 “(1) **RESTITUTION; CONTRACT RESCISSION AND**
13 **REFORMATION; REFUNDS; RETURN OF PROPERTY.**—

14 In a suit brought under subsection (b)(2)(B), the
15 Commission may seek, and the court may order,
16 with respect to the violation that gives rise to the
17 suit, restitution for losses, rescission or reformation
18 of contracts, refund of money, or return of property.

19 “(2) **DISGORGEMENT.**—In a suit brought under
20 subsection (b)(2)(B), the Commission may seek, and
21 the court may order, disgorgement of any unjust en-
22 richment that a person, partnership, or corporation
23 obtained as a result of the violation that gives rise
24 to the suit.

1 “(3) CALCULATION.—Any amount that a per-
2 son, partnership, or corporation is ordered to pay
3 under paragraph (2) with respect to a violation shall
4 be offset by any amount such person, partnership, or
5 corporation is ordered to pay, and the value of any
6 property such person, partnership, or corporation is
7 ordered to return, under paragraph (1) with respect
8 to such violation.

9 “(4) LIMITATIONS PERIOD.—

10 “(A) IN GENERAL.—A court may not order
11 equitable relief under this subsection with re-
12 spect to any violation occurring before the pe-
13 riod that begins on the date that is 10 years be-
14 fore the date on which the Commission files the
15 suit in which such relief is sought.

16 “(B) CALCULATION.—For purposes of cal-
17 culating the beginning of the period described
18 in subparagraph (A), any time during which an
19 individual against which the equitable relief is
20 sought is outside of the United States shall not
21 be counted.”.

22 (b) CONFORMING AMENDMENTS; TECHNICAL COR-
23 RECTION.—Section 16(a)(2) of the Federal Trade Com-
24 mission Act (15 U.S.C. 56(a)(2)) is amended—

1 (1) in subparagraph (A), by striking “(relating
2 to injunctive relief)”;

3 (2) in subparagraph (B), by striking “(relating
4 to consumer redress)”; and

5 (3) in subparagraph (D), by striking “subpena”
6 and inserting “subpoena”.

7 (c) APPLICABILITY.—The amendments made by this
8 section shall apply with respect to any action or pro-
9 ceeding that is pending on, or commenced on or after, the
10 date of the enactment of this Act.