

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

U.S. ANESTHESIA PARTNERS, INC.,

Defendant.

Case No.: 4:23-CV-03560-KH

Plaintiff Federal Trade Commission's Motion to Stay Due to Lapse in Funding

Plaintiff Federal Trade Commission hereby moves for a stay of all proceedings in the above-captioned case.

1. At 11:59 p.m. on September 30, 2025, the FTC's funding lapsed and the FTC filed an Unopposed Motion to Stay Due to Lapse in Funding. (Dkt. 288). On October 8, 2025, this Court issued an Order Staying All Proceedings and ordered the FTC to notify USAP counsel and the Court when funding has been appropriated and submit a proposed Third Amended Scheduling Order extending the deadlines by the number of days the Commission was required to cease regular operations. (Dkt. 289). On November 13, 2025, the FTC filed a Notice of Funding Appropriation informing the Court that funding had been appropriated and the Commission had resumed regular operations. (Dkt. 290). On November 17, 2025, after conferring with counsel for USAP about the case schedule, the FTC filed a Proposed Third Amending Scheduling Order. (Dkt. 292). The parties have been operating under the proposed Third Amended Scheduling Order, which has not yet been entered by the Court.

2. At 11:59 p.m. on January 30, 2026, the continuing resolution that had been funding the FTC expired and appropriations to the Commission lapsed. Although the U.S. House Speaker predicted yesterday that the lapse in funding will be restored “at least by Tuesday,” February 3, <https://www.reuters.com/world/us/house-speaker-johnson-says-confident-he-has-votes-end-partial-shutdown-by-least-2026-02-01/>, the FTC currently lacks appropriated funds to continue operating, and does not know when funding will be restored.

3. Absent a congressional appropriation, FTC attorneys are prohibited from working, even on a voluntary basis, “except for emergencies involving the safety of human life or the protection of property.” 31 U.S.C. § 1342.

4. Counsel for the FTC therefore respectfully requests that this Court stay all proceedings in this case until Congress has restored appropriations to the FTC.

5. If this motion to stay is granted, undersigned counsel will notify the Defendant and the Court as soon as Congress has appropriated funds for the Commission. The FTC requests that, at that point, all current deadlines for the parties be extended commensurate with the duration of the lapse in appropriations.

6. If the Court denies this motion, the FTC will comply with the Court’s order, which would constitute express legal authorization for the FTC to continue to work on this matter.

7. USAP does not oppose this motion.

Therefore, although we greatly regret any disruption, the FTC hereby moves for a stay of all proceedings until FTC attorneys are permitted to resume their usual civil litigation functions.

Dated: February 2, 2026

/s/ Kara Monahan

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[PROPOSED] Order Staying All Proceedings

Upon consideration of Plaintiff Federal Trade Commission's Motion for Stay Due to Lapse in Funding, it is hereby ORDERED that the FTC's motion is GRANTED and:

1. The FTC shall notify the Court and counsel for USAP when funding has been appropriated and submit a proposed Fourth Amended Scheduling Order extending the deadlines by the number of days the case was stayed.
2. The Parties shall contact the Court's clerk within two business days of the FTC's notice to arrange for a scheduling conference to confirm or modify the trial date in this matter.

SO ORDERED.

Signed on February _____, 2026 at Houston, Texas.

Kenneth M. Hoyt
United States District Judge

CERTIFICATE OF SERVICE

I hereby certify that on this day, I caused the foregoing Plaintiff Federal Trade Commission's Motion to Stay Due to Lapse in Funding to be served on all counsel of record using the ECF system of the United States District Court for the Southern District of Texas.

Dated: February 2, 2026

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