



LAKATOS, KÖVES ÉS TÁRSAI
ÜGYVÉDI IRODA

LKT NEWS

CORPORATE
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UPDATE: GOVERNING PARTY ACCEPTS NEW LEGISLATION TO SUSPEND THE PARLIAMENT'S POWERS

FAQ: HUNGARIAN GOVERNING PARTY ACCEPTS NEW LEGISLATION INTRODUCING THE POSSIBILITY TO GOVERN WITHOUT THE PARLIAMENT

As part of the Hungarian government's efforts to protect the safety and health of Hungary during the state of emergency ordered as a result of COVID-19, on 22 March 2020 the Hungarian government has proposed and parliament has approved a new law (Act on Protecting Against the Coronavirus). This law was scheduled to be passed on 23 March 2020 with a fast-track procedure. For that procedure the governing party would have needed a four-fifths majority. However, the opposition did not support the legislation because it does not provide for a clear deadline for the end of this special authorization, and the government was not willing to introduce any deadline that would limit its special powers. Eventually, the government party promulgated the bill again and passed it with its current supermajority on 30 March 2020. The President of Hungary signed the act which was promulgated on the same day and it is in effect from 31 March 2020 as Act XII of 2020.

WHAT DOES THE LEGISLATION ACHIEVE?

The legislation is intended to give the Hungarian government the right to suspend the enforcement of certain laws, depart from statutory regulations and implement additional extraordinary measures by executive decree in order to "guarantee for Hungarian citizens the safety of life and health, personal safety, the safety of assets and legal certainty as well as the stability of the national economy." The only limitation is that such measures shall be necessary and proportionate and aimed at preventing, managing, and eliminating the human epidemic as well as for preventing and mitigating its harmful effects. The government shall then inform the Parliament - or in the absence thereof, the speaker and the heads of parliamentary representatives' groups - of the measures taken.

ARE THESE LIMITATIONS TEMPORARY?

Possibly not. Under the special regime the government may extend the effect of its decrees until the end of the emergency, but the term emergency is not defined, thus it remains up to the government to declare the end of the emergency. We note that the bill includes the right of Parliament to withdraw this authorisation at any time with a two thirds majority. However, Parliament is unlikely to exercise such right, given the supermajority of the governing party in Parliament.

ARE THERE ANY OTHER LIMITATIONS?

Yes, there are several other measures:

- the new law suspends any midterm election, national or local referendum until the end of the emergency;
- the law criminalises certain actions which obstruct the implementation of epidemiological isolation, observation, quarantine or control decreed for the purpose of preventing the introduction or dissemination of an infectious disease that is subject to a quarantine or epidemiological isolation, observation, quarantine or control decreed during an epidemic and declares that such actions shall be considered a criminal act, punishable by up to three years of prison (or more in case of qualified acts);
- the spreading of false information or statements distorting true facts regarding a public emergency that may alarm a large group of people is criminalised and punishable by up to three years in prison; and
- making or spreading a false statement or a statement distorting true facts under a special legal order in a manner capable of hindering or derailing the effectiveness of the response effort is also criminalised and punishable by up to five years in prison.

WHO TO CONTACT?

If your business is listed or otherwise affected by the state of emergency, please do not hesitate to contact any member of our team:

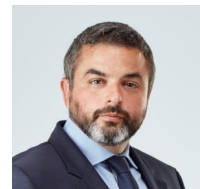
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