

Government shutdown primer

Recent government shutdowns, agency furlough & more

December 18, 2018

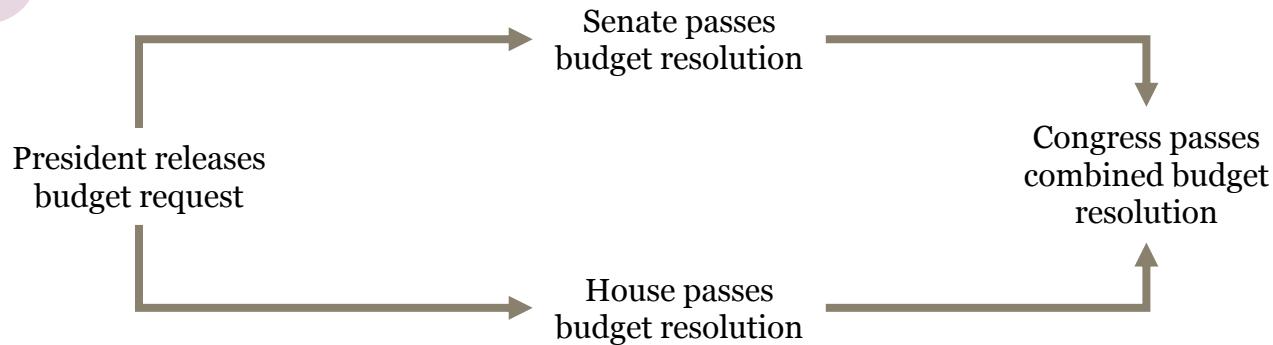
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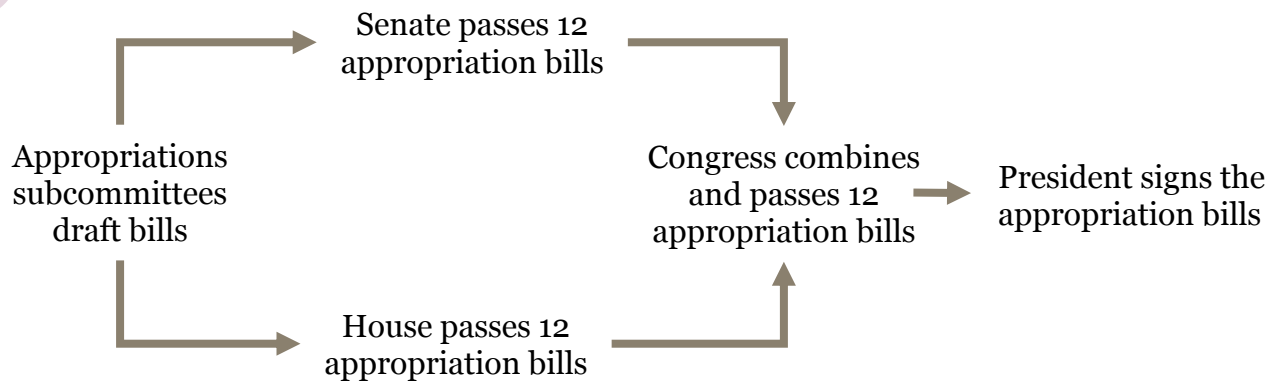
What leads to a government shutdown?

Budget negotiation process

1 Budget resolution



2 Appropriation bills

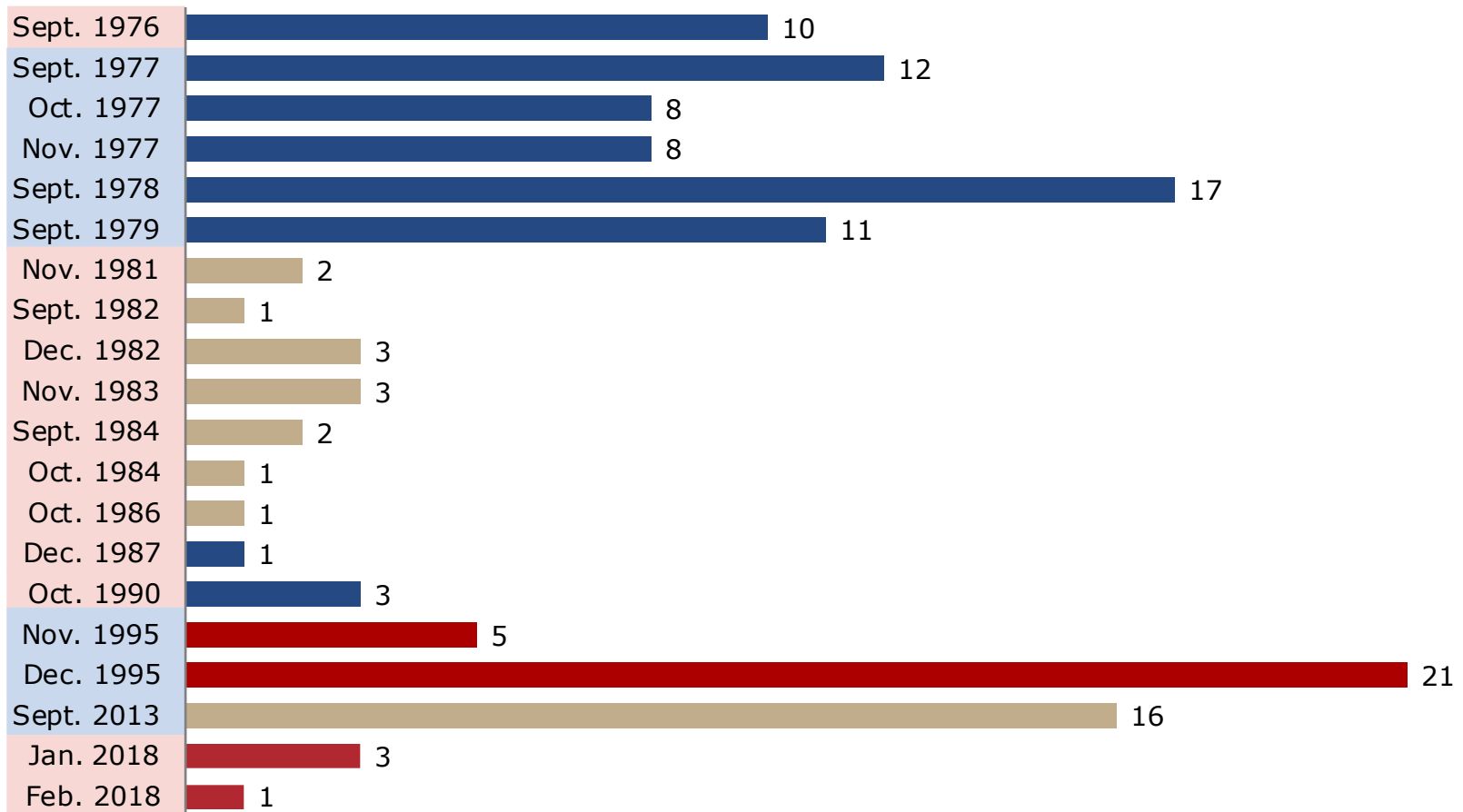


If Congress cannot pass all of the appropriation bills by the deadline, the government shuts down

Government shutdowns in the last four decades and the party in control of Congress

LENGTH OF SHUTDOWN IN DAYS

■ Republican Congress
 ■ Democratic Congress
 ■ Split Congress
 ■ Republican president
 ■ Democratic president



Sources: Axios PM, January 18, 2018. "All 20 Government Shutdowns in US History," ThoughtCo. December 12, 2018.

Who goes to work during a government shutdown?

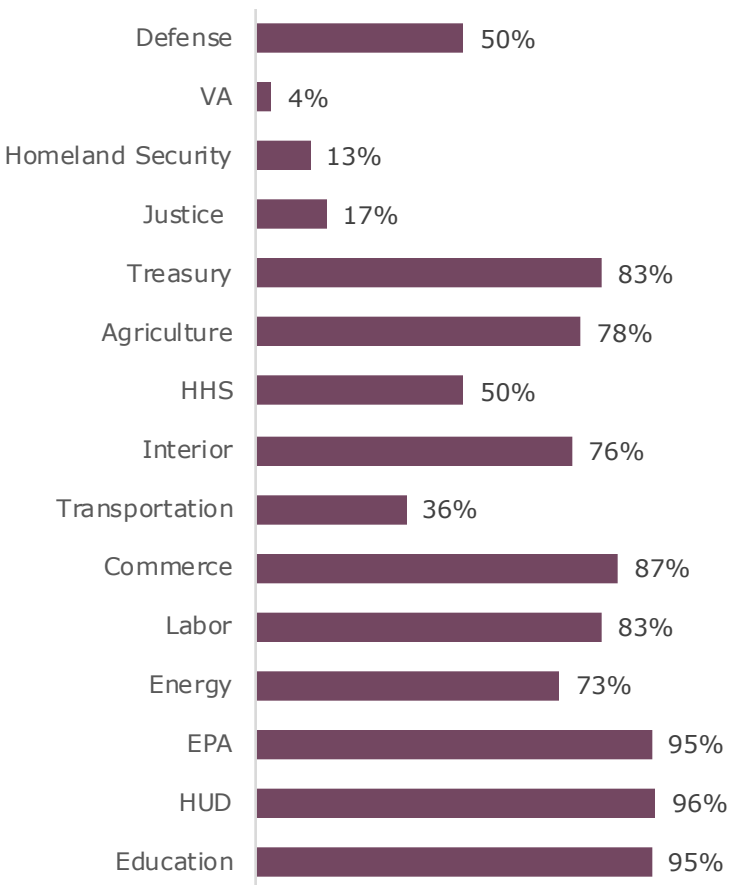
Federal programs and employees not affected by a government shutdown

Employee group	Examples	Business impact
Necessary for national security	<ul style="list-style-type: none"> US Military Embassies abroad 	<ul style="list-style-type: none"> Some defense contractors will still bill for work, but payments may be delayed
Necessary for security of people and property	<ul style="list-style-type: none"> Air traffic control Emergency medical care Border control Federal prisons Oversight of the banking system Meat and egg inspection 	<ul style="list-style-type: none"> Air traffic controllers continue to work during a government shutdown, which means airlines will continue to run FDA would continue select vital activities including maintaining critical consumer protection to handle emergencies, high-risk recalls and import entry review
Permanent programs or programs with multi-year funding	<ul style="list-style-type: none"> Social Security Veterans' benefits Unemployment and food stamps Medicare and Medicaid 	<ul style="list-style-type: none"> Social Security checks will go out as usual Medicare and Medicaid recipients will continue to receive healthcare benefits
Agencies with independent sources of funding	<ul style="list-style-type: none"> US Postal Service Federal Reserve 	<ul style="list-style-type: none"> USPS will continue to provide mailing services and Postal Service workers get paid normally Active service military members get paid regardless of length of shutdown
User fee-funded staff	<ul style="list-style-type: none"> Patent and Trademark Office Visa and passport processing Parts of HHS (including segments of the FDA and NIH) Grain inspections 	<ul style="list-style-type: none"> Employees will continue to process patent applications, possibly for up to four weeks, but cannot accept new ones The State Department would keep most of its passport agencies and consular operations open as long as it has the funds to do so

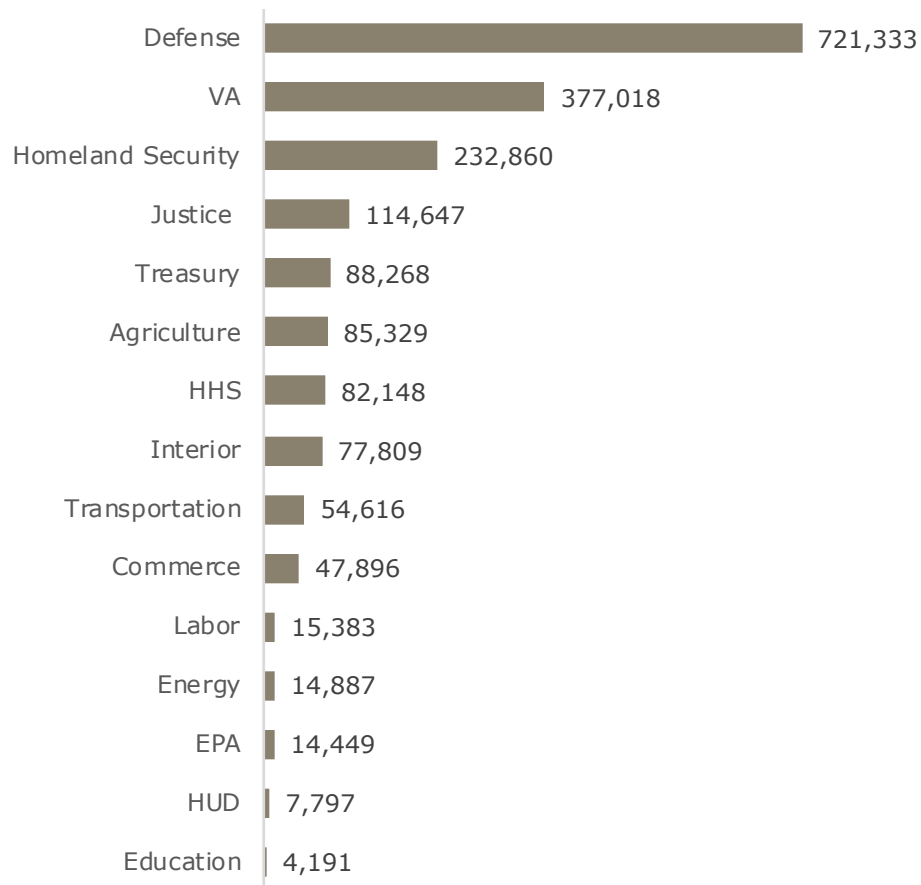
Sources: National Journal Research, 2016.

During government shutdowns, contingency plans dictate the number of workers furloughed in each department

Percentage of employees who will be furloughed



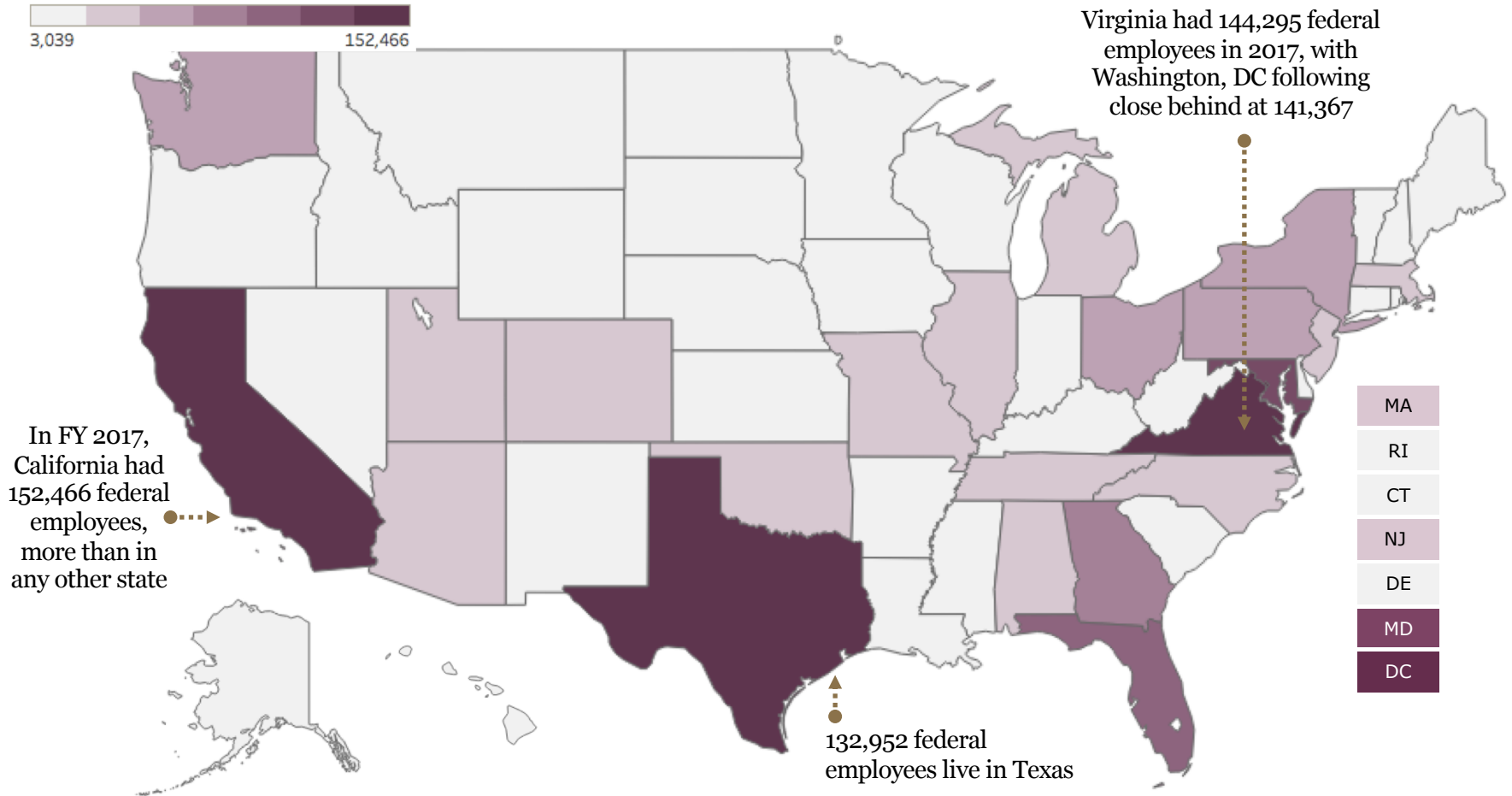
Total number of workers per agency



Sources: Darla Cameron, Lisa Rein, "Who gets sent home if the government shuts down," Washington Post, January 18, 2018.

Shutdown furlough could have nationwide impacts, especially in states with hundreds of thousands of federal employees

Number of federal executive branch employees in fiscal year 2017, by state



Sources: U.S. Office of Personnel Management, "Major work locations of the executive branch – fiscal year 2017," February 2018.