

Federal Government Shutdown: What You Need to Know

As Congress faces a deadline to pass legislation to fund the federal government, either through appropriations or a continuing resolution (CR), *a federal shutdown appears likely if no action is taken by midnight on Tuesday, September 30, 2025*. This raises important questions about what a shutdown means for the private sector and everyday Americans.

What Happens When Congress Fails to Fund the Government?

The Law

Under the Antideficiency Act, federal agencies are prohibited from obligating funds or conducting business without congressional appropriations. Exceptions exist, particularly for activities deemed essential to public safety or property protection.

The Reality

If the shutdown is brief (e.g., a day or two), agencies may operate under a short grace period, especially if a resolution seems imminent. Otherwise, operations begin winding down quickly, and the impacts grow more severe.

Understanding Federal Spending

Federal spending falls into two categories:

- **Mandatory Spending:** Covers about two-thirds of the federal budget and continues during a shutdown. Examples include:
 - Social Security
 - Medicare and Medicaid
 - Most Federal food programs (except WIC)
- **Discretionary Spending:** Requires annual appropriations and is affected by a shutdown. Exceptions include:
 - Activities essential to human life or property protection
 - Programs funded by user fees, multiyear funds, or carryover balances (until those funds are exhausted)

Real-World Impacts of a Shutdown

Each federal agency must prepare a contingency plan, found on its respective website, which outlines:

- Which activities will continue or cease
- Estimated shutdown duration
- Staffing levels before and during the shutdown

Shutdown procedures and priorities vary from agency to agency, and each will follow its own guidance. The 2023 plans of the [FDA](#), [USDA](#), and [EPA](#) provide some context. These agencies may announce different plans imminently.

Agency Impacts Could Include:

- Closure of most public-facing government offices and facilities, e.g., national parks, Head Start programs
- Delays in routine FDA food inspections: emergency recalls may continue
- Suspension of federal research projects
- No new Section 32 solicitations during shutdown
- Delays or halts in processing federal applications, e.g., grants, loans, permits, Social Security cards, passports, visas
- No new or finalized federal regulations
- Air travel disruptions due to reduced staffing in air traffic control and TSA
- Furloughs for most federal employees except those in essential roles or funded outside annual appropriations
- No paychecks for furloughed employees during the shutdown. Back pay is guaranteed for federal employees, but not for contractors, unless Congress acts to extend that coverage.
- Most federal government travel, official events, and appearances, among many other things, will likely pause or be cancelled.

H-2A Program

The Department of Labor will suspend some operations. Due to the multi-agency involvement of the H-2A visa program, employers who utilize the program may be impacted by the shutdown, particularly if it continues for an extended period. Should this occur, we are almost sure to see delays in securing workers on time.

Fortunately, the bulk of the program is funded by user fees and will not be impacted by the shutdown. Information for H-2A users will be made available on the agency's FLAG website. Despite the impact at DOL, state workforce agency partners may still have the resources to review job orders and schedule housing inspections.

Supply Chain

The transportation of fresh produce and floral products will be impacted by the loss of agency support and an interruption in general communications. However, fee-based services will continue, and industries that rely on critical infrastructures, such as ports, should not be affected unless the shutdown is prolonged.

Nutrition

- *The WIC Program* has about a week of funding availability once a shutdown begins. No new applications will be accepted during a shutdown. Program impacts will likely vary between states depending on the level of contingency, recovery, or other funds available to continue providing benefits. Some states with limited available funds could project a complete shutdown of benefits as soon as October 1.
- *SNAP* has sufficient funding to operate through October, though a prolonged shutdown could put benefits at risk.

- *School meals and some other USDA nutrition programs* that operate on a quarterly reimbursement basis will continue to operate, though with reduced USDA staff to respond to any technical needs.
- *Other mandatory activities*, including the Food Distribution on Indian Reservations and nutrition assistance block grants, will continue, as will Commodity ordering and procurement activities in support of mandatory excepted programs in conjunction with the Agriculture Marketing Service (AMS) to the extent permitted by multi-year and directly appropriated funds.

Food Safety

FDA will continue some food safety-related activities, especially those related to foodborne illness outbreaks, though these efforts will fall short of its regular operations. However, routine inspections, particularly at low-risk food facilities, are suspended.

Impact on Capitol Hill

- Members of Congress continue working (salaries not tied to annual appropriations)
- Congressional staff operating status is generally left up to the individual member and/or committee chair. Some are requested to report to work daily, and others are furloughed.
- Non-essential congressional activities pause
- Public access to the Capitol complex is restricted

Long-Term Consequences

The longer a shutdown lasts, the greater the disruption:

- Programs noted above with multiyear or carryover funding may continue temporarily but risk running out of funds at varying points in the future.
- Agency websites and communications may go offline or be updated irregularly.