

Government Shutdown

Congress and the Trump administration were unable to come to a funding agreement, initiating a partial government shutdown at midnight on Friday, December 22. Last month, the Senate passed a Continuing Resolution to extend funding through February 8. Following passage, the President signaled that he would not sign a bill that does not include funding for a border wall. The House then passed an amendment that included \$5.71 billion for wall funding and \$7.8 billion for disaster relief. However, the Senate was unable to gather enough votes to pass the measure and keep the government funded.

As we move into the third week of the government shutdown, Congress remains at a stalemate over funding for the border wall. As Democrats gain leverage with control of the House, ending the shutdown will require a compromise on both sides. House and Senate leadership have met twice this week with President Trump to discuss an agreement to end the partial shutdown. Their public statements have indicated they remain far apart on reaching an agreement.

We understand universities have numerous questions about the impact of the shutdown. There are few answers to many of these questions at this point, and the answers likely vary by agency, program and funding source. We will pass along any guidance that we receive.

Currently, it is our understanding that in the absence of appropriations, only essential USDA activities related to law enforcement, the protection of life and property, or programs financed through available funding remain operative. The following is a breakdown of relevant agency procedures and contingency plans during a lapse in funding:

- National Institute of Food and Agriculture (NIFA) program activities are suspended during a shutdown. The scope of the activities includes all NIFA extramural funding programs supporting research, education, extension or a combination of two or more of these functions. This includes agency activities associated with competitively awarded, noncompetitive Federal financial assistance payments, capacity and infrastructure, endowment, and all other NIFA grant programs. Only activities to monitor systems and address threats to property or infrastructure are excepted.
- Agriculture Research Service (ARS) research and operational activities are suspended. Excepted locations may collect, harvest, preserve, protect and analyze irreplaceable, time sensitive and cost prohibitive to replace property and continue certain human studies and animal wellbeing activities.
- Economic Research Service (ERS) will maintain agency Local Area Network (LAN) and Wide Area Network (WAN) systems and ensure all systems stay online and functional.
- National Agriculture Statistics Service (NASS) has suspended World Agricultural Supply and Demand Estimates report, and other agricultural economic and statistical reports and projections.
- Food and Nutrition Service (FNS) will continue operations for Child Nutrition, SNAP, and WIC programs. Additionally, FNS' partners (State agencies and other grantees) may continue operations under legally available Federal resources previously provided or on their own resources.

Congress has passed five, of the twelve, FY2019 appropriations bills. The seven remaining bills include: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; Commerce, Justice, Science, and Related Agencies; Financial Services and General Government; Homeland Security; Interior, Environment, and Related Agencies; State, Foreign Operations, and Related Programs; and Transportation, Housing and Urban Development, and Related Agencies.

The House of Representatives approved legislation on January 3 to provide funding for the remainder of FY 19 for all of the unfinished bills listed above with the exception of the Homeland Security bill. The Homeland bill would be funded under a short-term continuing resolution until February 8 to allow further negotiations on border security. President Trump has stated he would veto the bill if it reaches his desk. Bipartisan Senate Leadership has indicated that it will not take up any bill to reopen the government that the President does not indicate his willingness to sign.

THE CORNERSTONE TEAM