

Government Shutdown: What Does That Mean for You and Me?

Every year, Congress must pass and the President must sign funding legislation for the next fiscal year (FY), which consists of twelve appropriations bills. These bills allow federal departments and agencies to withdraw money from the U.S. Treasury for certain activities and services. Unfortunately, Congress has not yet enacted any of the twelve for FY 2024. Each fiscal year begins on October 1. This means the clock is ticking and lawmakers have until midnight on September 30 to pass legislation or the government will shut down.

What is a Government Shutdown?

In a shutdown, federal agencies must discontinue all non-essential discretionary functions until new funding legislation is passed and signed into law. Shutdowns have far-reaching and detrimental consequences for American workers. A government shutdown is not a cost savings measure, in fact, it's the very opposite.

What is Impacted Should a Shutdown Occur?

- **Our Economy:** The Congressional Budget Office (CBO) estimated that the 2018-2019 shutdown reduced Gross Domestic Product (GDP) by a total of \$11 billion, including \$3 billion that will never be recovered. A 2019 Senate report found that the three government shutdowns in 2013, 2018, and 2019 cost taxpayers nearly \$4 billion.
- **Social Security and Medicare:** Social Security checks are sent out, but benefit verification and card issuance would cease. Medicare coverage would continue; however, staff overseeing the program will work without pay.
- **Transportation:** Air travel is strained as air traffic controllers and Transportation Security Administration (TSA) agents are limited and work without pay. There will be longer wait lines and increased flight cancellations.
- **Veteran Services:** All medical facilities and clinics through the Department of Veteran Affairs (VA) will remain fully operational. However, VA call centers and hotlines cease to function, and the Veterans Benefits Administration public contact services are not available.
- **Our Military:** Military personnel on active duty, including reserve component personnel on federal active duty, will continue to report for duty and carry out assigned duties without pay.
- **Public Health:** The Centers for Disease Control and Prevention, commonly referred to as the CDC, has to greatly curtail its activities to conduct flu season surveillance and monitoring, support state and local health departments, and update disease treatment and prevention recommendations.
- **Trade Enforcement:** All Anti-Dumping and Countervailing Duties (AD/CVD) cases and administrative trade reviews cease – leaving bad actors, such as China, to import illegal dumped and subsidized goods.
- **Worker Safety:** The Occupational Safety and Health Administration (OSHA) will continue to monitor and respond to workplace emergencies, but any previously planned or random inspection will likely not occur.

The federal investments made by appropriations legislation are the lifeline of our states, counties, cities and towns that ensure the availability of vital services for workers, retirees, our families, and our communities. Averting a government shutdown will prevent significant repercussions on our nation's economy and the welfare of every individual. United Steelworkers urge a swift bipartisan agreement before the September 30, 2023 deadline.

Stay tuned to Rapid Response in the coming days to see how you can help keep our priorities intact!