



Summary of Selected, Key Information from Federal Agencies' Government Shutdown Contingency Plans

March 2025

Below is selected, key information from the federal agency contingency plans that may be of relevance to the Community Action Network. Each Community Action Agency (CAA) should carefully review the plans of all federal agencies from which it receives funding to determine the impact of a shutdown on programs administered by those agencies.

U.S. Department of Health and Human Services (HHS) (Last Reviewed 12/20/2024)

According to the HHS contingency plan, the following HHS operations would continue during a shutdown:

- HHS's Program Support Center (PSC), Financial Management Portfolio (FMP) Payment Management Services (PMS), and Division of Payment Management (DPM) will be operational and retain the necessary staffing in an excepted status to ensure delivery of grant payments for excepted programs. The PMS and DPM will follow specific processes to ensure payment of permissible disbursements.
- HHS will maintain the Grants.gov system in an operational status, but with reduced federal support staff presence. The Grants.gov Contact Center will remain available and provide assistance to callers. HHS will provide the federal grantor community with guidance and updates in the event of a government shutdown.
- HHS's Health Resources and Services Administration (HRSA) will continue activities funded through sources other than annual appropriations, such as the Maternal and Child Home Visiting Program, the Health Centers Program, and Provider Relief Fund activities.
- HHS's Administration for Children and Families (ACF) will continue work to support disaster recovery funded by supplemental disaster appropriations. Work within the Office of Child Support Services (OCSS) will continue.

While the contingency plan does not specifically address the impact of a shutdown on the following operations, we understand that the following non-emergency HHS operations would cease during a shutdown:

- HHS’s Administration for Children and Families (ACF) would not continue quarterly formula grants for the Community Service Block Grant, Temporary Assistance for Needy Families, Child Care, Social Services Block Grant, Refugee Programs, and Child Welfare Services programs. The impact of a shutdown on the Low-Income Home Energy Assistance Program (LIHEAP) is unclear.
- ACF would not make new discretionary grants, including Head Start and social services programs.
- The Substance Abuse and Mental Health Services Administration (SAMHSA) would be unable to fund new or monitor existing grants or contracts, including activities requiring on-site supervision.

U.S. Department of Agriculture (USDA) (Updated 9/29/2023)

Food and Nutrition Service: According to the USDA’s Food, Nutrition and Consumer Services (FNS) contingency plan, essential Federal activities to maintain the core programs of the nutrition safety net, including the Supplemental Nutrition Assistance Program (SNAP), the Child Nutrition (CN) programs, and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) will continue to the extent that funds are available to support those programs. Other FNS programs and activities may continue operations through FNS’ partners (State agencies and other grantees) utilizing legally available Federal resources previously provided to them or their own resources.

Rural Development (Updated 1/18/2024): According to the USDA’s Rural Development contingency plan, Rural Development has no program activities that would continue in the absence of an appropriation. However, there are certain limited activities that are viewed as “excepted” for the purpose of preserving the Government’s property. This property includes Rural Development and Farm Loan Program (FLP) loans portfolio, which exceeds \$265 billion and serves as collateral for loans, and borrowers’ funds paid to Rural Development in escrow for real estate taxes and property insurance.

Corporation for National and Community Service (CNCS) (Updated 9/27/2023)

CNCS’s contingency plan explains that, for the most part, previously awarded grants and cooperative agreements (including Training and Technical Assistance agreements) will not be affected by the absence of current appropriations (although there will be no CNCS oversight or assistance provided to grantees until normal operations resume or a long-term orderly shutdown is begun). For example, AmeriCorps State and National and AmeriCorps Seniors grants already awarded would continue to operate. Grantees should be able to draw down funds from the HHS

Payment Management Service (PMS). Normal CNCS monitoring and technical assistance (Monitoring Officers and Portfolio Managers) will not be available during a short-term lapse in funding. No new or continuation grants will be awarded during a temporary funding lapse and program and grants staff will not be available to provide assistance to grantees. This plan was formulated to address a short-term temporary lapse in funding (up to two weeks). In the event of a long-term or permanent lapse of funding, the plan will be reevaluated.

CNCS will maintain the operations of the National Service Trust Fund, the VISTA Advance Payment Revolving Fund, National Civilian Community Corps, and FEMA Corps Unit of AmeriCorps because payments from those accounts are not contingent on annual appropriations.

VISTA members will continue to serve and will accrue living allowance during a temporary lapse of funding until CNCS determines that an orderly shutdown of operations should occur. Cost share VISTA members' living allowances will not be affected by a funding lapse. Members will be eligible for health care and childcare services under the existing contracts.

Under a shutdown, CNCS will not be able to issue grants, provide assistance to grantees or carry out most administrative activities or functions, including travel, hold meetings or conferences, hire consultants, etc.

U.S. Department of Energy (DOE) (Updated 12/18/2024)

In the absence of appropriations for a fiscal year, DOE may not incur new obligations, unless they can lawfully be funded from unexpired prior year appropriations, or are otherwise authorized by law. Each DOE office that has prior-year balances will continue to operate as long as those balances remain available, but operations will be modified and curtailed. If no unobligated amounts from unexpired prior-year appropriations exist, DOE may only incur obligations under authority of 31 U.S.C. § 1342 for activities involving the safety of human life or the protection of property. Prohibited activities include, but are not limited to:

- Awards of grants, contracts, cooperative agreements, scholarships, and small purchases, unless they are necessary to the direct support of authorized excepted activities.
- Hiring of personnel or extending the appointment of personnel whose appointments have expired, if doing so would result in unauthorized obligation of funds during a lapse of appropriations.
- Meetings, conferences, and seminars.
- New or continued employment of experts and consultants, if such actions will incur a financial obligation.
- Training classes and other training activities.

- Use of equipment and utilities (including the use of Government issued devices) not related to authorized activities where their use creates liabilities for the Government beyond those existing on the date of the funding lapse.

DOE's contingency plan anticipates that there would be no disruptions to DOE operations during a short lapse in appropriations of 1-5 days, as DOE historically has had sufficient previously appropriated funds to support operations during a short shutdown period.

DOE also has work funded by multi-year appropriations, such as funding through the Infrastructure Investment and Jobs Act (IIJA, also known as the Bilateral Infrastructure Law, or BIL) and the Inflation Reduction Act (IRA). DOE employees fully or partially funded by multi-year appropriations would continue to perform funded work until available balances have been exhausted.

The DOE contingency plan does not specifically address the Weatherization Assistance Program (WAP). However, the IIJA includes \$3.5 billion in one-time WAP funding for FY2022, which remains available until expended and are issued as five-year grants from DOE. Thus, while FY2025 base WAP funding would be impacted by a lapse in appropriations, because BIL WAP funding is multi-year appropriations, it would continue to remain available for drawdown by CAAs during a government shutdown in FY2025.

U.S. Department of Housing and Urban Development (HUD) (Updated 9/29/2023)

Historically, HUD's salaries and expenses funding has been generally comprised of annual appropriations (one-year funding), which expire and are unavailable for use upon a lapse in appropriations. Beginning with federal fiscal year (FY) 2019, Congress appropriated to HUD multi-year appropriations for salaries and expenses. With this new framework of two-year funding, upon any lapse in appropriations, HUD may have available a limited amount of salaries and expenses funding carried over from the prior fiscal year that could sustain some limited government operations. However, any available carryover funding will be limited by both purpose and amount. HUD senior leadership will evaluate all available carryover salaries and expenses funding and make the necessary determinations regarding its use.

Upon a lapse in appropriations, all funds previously appropriated for FY2025 (e.g., under a short-term continuing resolution) that have now lapsed are expired funds that are no longer available for new obligations. Legally binding obligations entered into by HUD using now-expired appropriations are valid if they were properly executed before the lapse occurred.

Community Planning and Development (CPD): According to the HUD contingency plan, CPD will:

- Continue to make previously obligated CDBG, HOME, HOPWA, Homeless Assistance Grants funds and other grant funds available for draw down by CPD grantees.
- With respect to the Continuum of Care (CoC) and Housing Opportunities for Persons with HIV/AIDS (HOPWA) programs, take the necessary and appropriate steps to make renewal

award announcements and execute grant agreements for renewal-eligible grantees who would experience a gap in services absent announcement and/or a renewal agreement. This will enable grantees to continue to provide for the delivery of essential housing and emergency services for homeless persons and persons with HIV/AIDS.

- Continue to disburse Disaster Recovery Assistance Programs funded through multi-year or no-year appropriations, where funds have been previously obligated.

A long-term shutdown could result in the automatic approval of CPD consolidated plans since the review of such plans is not an excepted activity and the plans are deemed approved if not disapproved within 45 days of submission. The submissions are rolling and the plans are due 45 days prior to submission of the start of their program years, which is a date selected by the grantee.

Existing Technical Assistance and Capacity Building cooperative agreement awards, where funds have been previously obligated and work plans have been approved, may continue performance.

Office of Housing, Multifamily Section 202/811 Production: According to the HUD contingency plan, this division will continue performing:

- Initial closings on Projects with Firm Commitments with scheduled closing dates during the shutdown period.
- Final Closings on Projects with critical deadlines (e.g., tax credit deadlines).

HUD will process construction draws using intermittent staff to respond to issues relating to the imminent threat and protection of property. HUD will rely on the sponsors' supervisory architects' certifications, and will perform or contract for construction inspections on a post-review basis at such time the government re-opens.

Office of Public Housing, Housing Choice Voucher Program: According to the HUD contingency plan, Public Housing Agencies (PHAs) are not required to cease issuing vouchers during a government shutdown. PHAs should assess their financial ability to make payments on behalf of currently assisted households as well as those potentially to be served when considering their ability to issue vouchers.

PHAs will be able to draw down funds from the Line of Credit Control System (LOCCS) that had been previously obligated and which can be drawn down without further action or review by HUD employees. However, previously obligated funds that require HUD action or review before disbursement will not be available, except in those cases where there is an imminent threat to lives or property.

For the Housing Choice Voucher program, payments will be disbursed to PHAs so long as available funds were previously obligated. Previously obligated amounts in HUD-held reserves (HHR) may be requested or automatically disbursed to address emergency situations.

U.S. Department of Transportation (DOT) (Updated 9/24/2024)

According to DOT's contingency plan, the Federal Transit Administration (FTA)'s operations will continue as normal during a lapse in appropriations, as activities are funded by sources not impacted by a lapse in annual appropriations. Activities and personnel funded from the supplemental appropriations portion of the Infrastructure Investment and Jobs Act (IIJA, Division J) would remain available during a lapse in annual appropriations. The FTA does not expect to furlough any employees under the contingency plan.