

Continuing Resolutions & Government Shutdowns

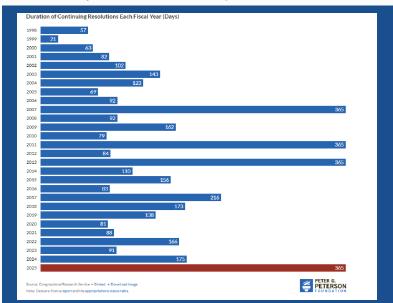
October 1 is the beginning of the federal government's fiscal or budgetary year. This is the time between October 1 and September 30 the following year that the monies allocated for government programs are spent and accounted for.

Under federal law, to keep the government open and functioning, Congress must pass a new budget within this 12-month window. If they don't, the country faces a government shutdown. Unfortunately, Congress rarely completes this task on time. In fact, the last time they did was in 1997. Typically, to prevent the government from shutting down, they utilize one of their favorite legislative tools, a continuing resolution.



A continuing resolution is a temporary way for Congress to deal with a longterm funding issue, like the federal budget. When Congress cannot reconcile its spending differences, and pass a budget on time, it is able to temporarily extend government spending at its current levels by passing a continuing resolution.

While this is not a permanent fiscal fix, it does provide additional time for the members of the House and Senate to work out their differences on the budget so that one can be passed and signed into law. If these differences cannot be worked out by then, this continuing resolution process starts all over again.



If not successful, then the federal government would partially shut down. When this happens, not all of the federal government is affected because some agencies are not tied to the annual budget. For example, Social Security payments, Medicare benefits, and veterans benefits continue despite the government being partially shut down. Additionally, there are some federal workers that are essential to the nation's well-being, so even if the government shuts down, they still do their jobs without pay. However, the Government Employee Fair Treatment Act of 2019 mandates backpay for these individuals. Members of the armed forces and aviation services, as well as law enforcement, fall into this special class of federal workers.

Government shutdowns impact more than just federal employees. Air travel may be delayed, national parks close, the U.S. Food and Drug Administration and Environmental Protection Agency stop conducting inspections, the Small

Business Administration freezes all new small business loans, and funding for programs such as FEMA or Head Start could run out depending on the length of the shutdown.

While not common, government funding gaps have occurred 21 times since 1976. The longest government shutdown lasted 35 days, from December 22, 2018 - January 25, 2019, and ended when Congress passed a continuing resolution to keep the government open until February 15, 2019.

Despite failing to pass a complete federal budget by the end of the fiscal year over the past 28 years, Congress' use of the continuing resolution usually keeps the government's lights on. Unfortunately, the question of, "for how long," always looms when continuing resolutions are used.

To Think and To Do: Why do you think Congress keeps relying on continuing resolutions instead of passing an actual budget before the beginning of the fiscal year? Are there political advantages to using a continuing resolution? Political advantages to a government shutdown? Explain.

