

# Purpose

Discuss City's readiness and preparation to address risks from the Government Shutdown effectuated on October 1, 2025

- 1. Shutdown Context
- 2. City Preparations
- 3. Outlook and Next Steps





### RAPID RESPONSE FRAMEWORK

- City services to the public remain stable and uninterrupted
- Anticipate federal developments to protect City resources and ensure continuity of operations
  - Executive Orders
  - ➤ H.R.1 or "One Big Beautiful Bill Act"
  - Government Shutdown
- After shutdown: Prepare for impacts once Congress comes to an agreement

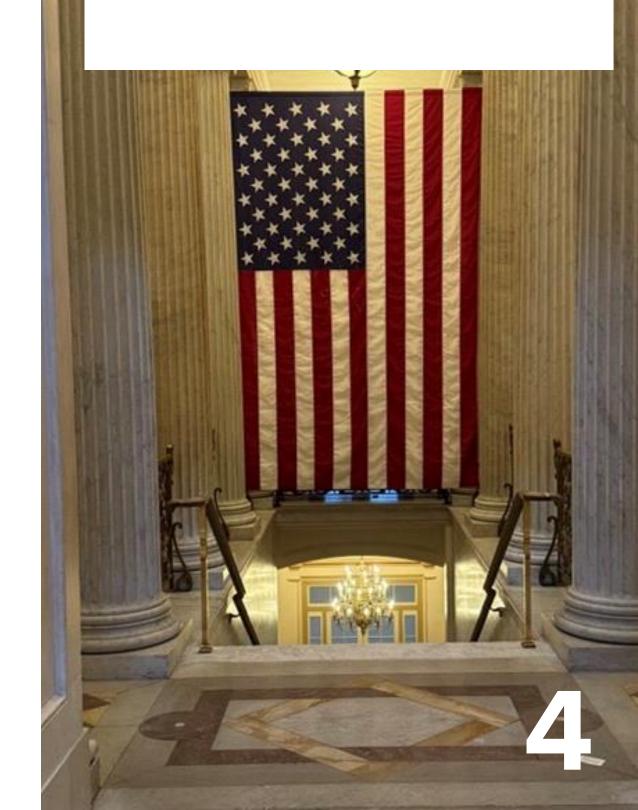




#### NATIONAL CONTEXT AND DURATION

- Federal government shutdown began October 1, 2025
- Longest shutdown (2018) lasted 35 days, different political makeup and some appropriations had passed
- Unified political majority in Congress; resistance from minority party in the Senate over Affordable Care Act tax credits





#### IMPACTS ON EL PASO REGION

- Essential employees work without pay, non-essential staff furloughed\*
  - ❖ Social Security, Medicare, Medicaid are funded continuously and payments will continue
  - ❖ Issues of backpay currently under discussion
- Federal workers are approx. 14k, or 4% of workforce (BLS data)
- \$65m in wages lost for every week shutdown continues (UTEP estimate)

\*Congresswoman Escobar provides a <u>comprehensive review of</u> <u>impacts</u> and options for federal employees and their families





# CONTINUITY OF GRANT PROGRAMS

- Obligated funds are safe; formula and non-discretionary grant programs continue
- Sub-recipient nonprofits continue to deliver services
- OTC is tracking delays in reimbursement, managing accordingly





#### PROTECTING CITY RESOURCES

- Coordination and check-ins with potentially impacted departments
- Partnerships with Rep. Escobar's office,
  National League of Cities, and other cities
- Regular updates from SLA to City leadership
- Contingency messaging from Strategic Communications





# PREPAREDNESS AT A GLANCE

**AIRPORT** 

FAA, TSA, CBP contingency coordination; passenger service continuity plan

**DCHD** 

Tracking HUD reimbursements, sub-recipient grants continue

**HEALTH** 

Coordinating with DPH; no lapse in emergency public health response

**BRIDGES** 

Consulted on CBP impacts on daily border operations; monitoring impacts on cross-border trade

OTC/HR

Tracking pending reimbursements, grant portals, and HR systems and payroll

SLA

Funding to Climate-related grants; Communication with Fort Bliss and VA administrators





# **APPROPRIATIONS ADVOCACY**

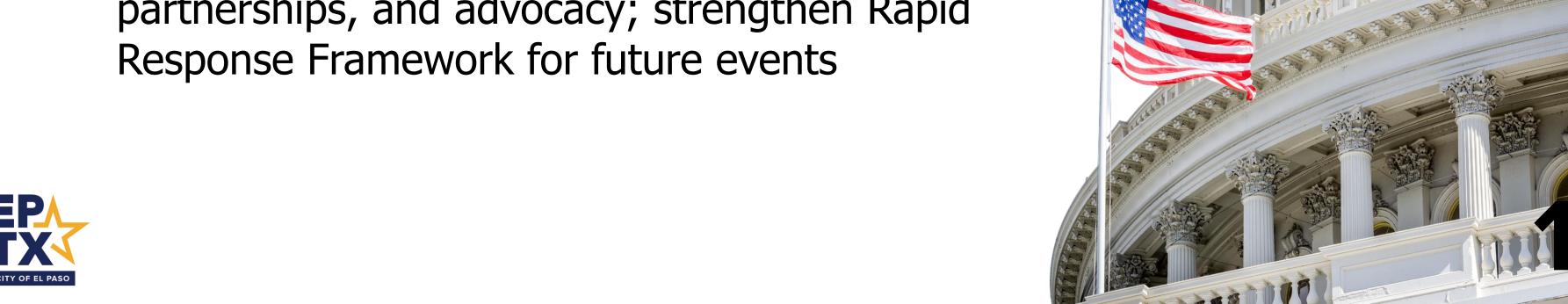
- Shutdown: Monitoring memos, congressional movement, and agency contingency plans
- After Shutdown: Focus on appropriations that could impact City programs when Congress comes to an agreement
- Ongoing Legislation: Notify Congressional Delegation about concerns and discuss upcoming legislation





# **OUTLOOK AND CONFIDENCE**

- Short-term: No service disruptions; departments in coordination mode
  - October 12 = first day that paycheck are missed
- **Medium-term**: Monitoring reimbursements, communication with Fort Bliss and partner agencies
- Long-term: Strengthen fiscal preparedness, partnerships, and advocacy; strengthen Rapid Response Framework for future events





# **NEXT STEPS**

- Return to Council with update if shutdown extends beyond two weeks
- Monitor reimbursement timelines
- Continue coordination with City departments, continue outreach and collaboration with impacted partners





