OCTOBER 2025 GOVERNMENT SHUTDOWN ADVISORY FOR NATIVE COMMUNITIES

Prepared by the Senate Committee on Indian Affairs, Office of the Vice Chairman, Senator Brian Schatz (D-HI)
As of October 22, 2025

On October 1, 2025, the federal government began a shutdown due to a lapse in appropriations. A shutdown affects federal programs and services differently, depending on how each receives funding. In general —

- **Discretionary programs without supplemental funding** face immediate impacts[1]
- **Mandatory, advance appropriations, forward-funded programs** continue operations, with possible disruptions from agency staffing and funding distribution mechanisms[2]

Below is a summary of shutdown impacts[3] across the three branches of the federal government on select programs and services that serve Tribes and the Native Hawaiian Community.

EXECUTIVE BRANCH

2025 Contingency Plans: Details on which activities are continued, paused, or disrupted and how staffing is affected during a shutdown can be found in each agency's contingency plan (Interior, IHS, HHS, ED, Labor, USDA, Commerce, HUD, Energy, EPA, Justice, Defense, DOT, Treasury, IRS, Social Security, SBA, DHS, State, VA).

AGENCY STAFFING

2025 Reductions in Force (RIFs). The Office of Management and Budget (OMB) Contingency Plan guidance directed agencies to begin RIFs during the shutdown.[4] On October 10, the Trump Administration began issuing layoff notices (RIFs take effect 30 or 60 days after notices are issued). Initial reporting indicated that more than 4,200 employees received RIF notices. While

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[1] Examples include Bureau of Indian Affairs (BIA) programs, ISDEAA "638" grant awards, and Indian Health Service (IHS) electronic health records, construction, and sanitation programs.
[2] Examples include mandatory-funded Social Security, Medicaid, Medicare, Supplemental Nutrition Assistance Program (SNAP), and veterans' health benefits; advance appropriations-funded IHS health services; and Bureau of Indian Education (BIE) and U.S. Department of Education (ED) programs that are forward-funded.
[3] Note impacts will vary depending on the length of a shutdown and on official White House guidance. Agencies may not follow precedent, but for reference see past Contingency Plans used during previous shutdowns.
[4] September 28, 2025 OMB guidance directed federal agencies to "use this opportunity to consider Reduction in Force (RIF) notices for all employees in programs, projects, or activities (PPAs) that satisfy all three of the following conditions: (1) discretionary funding lapses on October 1, 2025; (2) another source of funding, such as H.R. 1 (Public Law 119-21) is not currently available; and (3) the PPA is not consistent with the President's priorities." The notice clarified, "once fiscal year 2026 appropriations are enacted, agencies may consider revising their RIFs as needed to retain the minimal number of employees necessary to carry out statutory functions."

some employees have since been reinstated, more RIF notices are expected as the shutdown continues.

As of October 10, agency staffing, furloughs, and RIFs are as follows:

	TOTAL AGENCY EMPLOYEES			
AGENCY	SEPT. 2024	BEFORE SHUTDOWN	FURLOUGHED	OCT. 10 RIFS
Treasury[5]	113,992	81,165	1,736 (2%)	1,446
HHS[6]	92,620	79,717	4,359 (41%)	1,200
ED[7]	4,209	2,447	2,117 (87%)	466
HUD[8]	8,843	6,105	4,359 (71%)	442
Commerce	48,442	42,984	34,711 (81%)	315
EPA	16,839	15,166	13,432 (89%)	*30 (intent to RIF)*
Energy[9]	17,372	13,812	8,105 (59%)	187
DHS	217,889	219,550	14,184 (5%)	176
Interior	69,367	58,619	30,996 (53%)	-
TOTAL	589,573	519,565	113,999	4,232

AGENCY OPERATIONS

Agencies have detailed some, but not all, impacted activities in their 2025 contingency plans. Below are possible or confirmed impacts to federal programs serving Native communities.

DEPARTMENT OF TREASURY

- **ASAP drawdowns** may be delayed if staff approvals are impacted *(Paused)*
- **CDFI Fund** office staff received RIF notices on October 10 *(Paused)*

[5] Treasury layoffs eliminated all 102 employees at the Community Development Financial Institutions (CDFI) Fund, which provides capital to 69 Native CDFI lenders to expand business and homeownership opportunities in Native communities. At least 1,300 IRS employees also received notices.
[6] HHS layoffs eliminated 1,300 employees at the CDC (but 700 were reinstated on Saturday October 11). The Office of Population Affairs locked out its staff from offices and laptops on October 10. Reportedly, staff overseeing early childhood grants in the Office of Early Childhood Development in the Administration for Children and Families were RIF'ed. Administration for Native Americans staff have not reported receiving RIF notices.
[7] ED layoffs eliminated all employees at the Office of Indian Education (except for its Director) and all employees at the Office of Impact Aid. Similarly, all positions at the Office of Elementary and Secondary Education were eliminated except for several directors whose positions are statutorily authorized. Other affected offices include the Office of Communications and Outreach, Office of Postsecondary Education, Office of Special Education and Rehabilitative Services, Office of Special Education and Rehabilitative Services, and Office for Civil Rights.
[8] HUD layoffs eliminated employees overseeing fair housing programs, including 102 employees overseeing public housing and Indian housing.
[9] DOE layoffs eliminated employees at the Office of Clean Energy Demonstrations; the Office of Energy Efficiency and Renewable Energy; the Office of State and Community Energy Plans; and the Office of Fossil Energy.

DEPARTMENT OF THE INTERIOR

- **ISDEAA Self-Determination/Self-Governance** *(Disruptions Possible)*
  - Some "638" agreements, Contract Support Costs, and 105(l) lease agreements may experience disruptions or paused payments, depending on account.

- **Bureau of Indian Affairs (BIA)** *(Continued in Part, Paused in Part)*
  - Direct services with available supplemental funding deemed necessary to protect life and property will continue, including law enforcement and detention centers, social services, irrigation and power, wildland fire management, and the Tribal Transportation Program.[10]
  - Disbursement of funds for Tribal government operations should continue.
  - Tribal cultural resources on federal lands may be left unprotected and Tribal Historic Preservation Office consultations or funding may be paused.

- **Bureau of Indian Education (BIE)** *(Continued)*
  - BIE schools are forward funded but may switch to emergency operating plans.
  - 100% of BIE staff are deemed essential and will continue to work.
  - All K-12 schools, dormitories, and federally-operated Tribal colleges (Haskell, SIPI) are expected to operate during a shutdown, including Tribally Controlled Schools (the majority of Tribally Controlled Schools and TCUs drew down most of their funding on July 1 for the upcoming school year).
  - Planned Tribal consultations may be delayed.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **ISDEAA Self-Determination/Self-Governance** *(Disruptions Possible)*
  - Some "638" agreements, Contract Support Costs, and 105(l) lease agreement payments may experience disruptions, even with IHS advance appropriations.
  - Tribes may not be able to make new drawdowns during a shutdown if the staff required to release funds are furloughed.

- **Indian Health Service (IHS)** *(Continued in Part, Paused in Part)*
  - The majority of IHS services are expected to continue with advance appropriations, carryover funds, and third-party collections, including IHS direct service, Tribal Health Programs, and Urban Indian Organizations. Facilities construction projects with previously appropriated funds will also continue.
  - 100% of IHS employees are deemed essential and will continue to work.
  - IHS programs without advance appropriations may be paused, including Electronic Health Record Modernization, Indian Health Care Improvement Fund, Health Care Facilities Construction, Sanitation Facilities Construction, Contract Support Costs, and Section 105(l) Leases.[11]

[10] BIA Contingency Plan September 2023.
[11] DHHS Contingency Plan FY 2024.

- **Centers for Medicare & Medicaid Services (CMS)** *(Continued, Disruptions Possible)*
    - Medicare and Medicaid are expected to continue, and Medicare and Medicaid open enrollment periods will continue unchanged.
    - Agency service disruptions and delays for some activities may occur (e.g. benefit verifications, issuing of Medicare replacement cards).

- **Special Diabetes Program for Indians** *(Continued)*
    - Expected to continue with mandatory funding through the start of 2026 despite authorization expiring on October 1.

- **Head Start** *(Continued, Disruptions Possible)*
    - Although funded through discretionary appropriations, Head Start programs are not expected to experience major disruptions immediately, but impacts may increase with the length of the shutdown.[12]
    - The Office of Head Start administers 2,300 5-year grants on different, monthly funding cycles to Head Start grantees that provide early education and comprehensive services for young children.
        - OHS provided a list of 6 grantees in FL, AL, and SC that serve about 6,500 children that have an annual grant funding date of October 1st. These grantees will not receive their funds until the FY26 appropriation for Head Start is available and will likely lapse operations.
        - An estimated 143 grantees on the November 1st cycle would likely face similar lapse in funding and operations.
        - During most previous shutdowns, the Payment Management System (PMS) and the Head Start Enterprise System, have remained operational to draw down funds. However, given the new approval processes in place for PMS drawdowns, we are concerned that the PMS system may encounter delays because of staff furloughs.

- **Other Operating Divisions with Discretionary Funding** *(Continued/Paused)*
  Expect divisions to continue programs funded by mandatory funding, advanced appropriations, prior year carry-over funds, and user fees. Expect discretionary grant funding to be paused during a shutdown.
    - **Temporary Assistance for Needy Families (TANF)** *(Possible Pause)*
    - **Low Income Home Energy Assistance Program (LIHEAP)** *(Possible Pause)*
    - **Child Care and Development Fund (CCDF)** *(Continued)*
        - States generally have enough reserves on hand but impacts on families receiving child care subsidies may occur if there is a prolonged shutdown.

- **Centers for Disease Control and Prevention (CDC)** *(Continued)*
    - Despite RIFs and furloughs, staff will continue responding to immediate outbreaks but limit other activities.

[12] Reportedly, only 8 of the 1,600 total Head Start grantee programs have a fiscal year beginning on October 1 and will see a lapse in funding.

- **Food and Drug Administration** *(Paused)*
    - FDA is not accepting any new drug applications.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Native American Housing Assistance and Self-Determination Act** *(Continued)*
    - Previously obligated Indian Housing Block Grant (IHBG), Indian Community Development Block grant (ICDBG), and Tribal HUD-VASH funds should be available for grantees to draw down during the government shut down.

- **Other HUD Grants** *(Disruptions Possible)*
    - If any previously obligated funds require HUD action or review before disbursement, those funds will generally not be available. In cases where there is an imminent threat to lives or property, limited HUD staff will be made able to approve those requests.
    - If grantees did not have a signed grant agreement prior to the shutdown, grant funds will not be available.

- **Office of Native American Programs Office of Loan Guarantee** *(Paused)*
    - The office is closed during a shutdown and no firm commitments or loan guarantees will be issued for the Indian Housing Loan Guarantee Section 184 Program, Native Hawaiian Housing Loan Guarantee 184A Program, or Indian Housing Block Grant Loan Guarantee Title VI Program. Similarly, no claims will be paid during a shutdown.

- **Tribally-designated housing entities (TDHEs)** are not required to stop services but may not be able to sustain normal operations indefinitely.[13]

DEPARTMENT OF EDUCATION

- **Programs with forward, advance appropriations, or mandatory funding**[14] *(Continued)*
    - **Title I, Title II, IDEA**, and **career and technical education programs** Schools usually receive forward funding from the prior fiscal year on October 1, and the agency's contingency plan states that it expects to award advance funding
    - **Title III** funding to colleges and universities and **Pell Grants** (partially discretionary)
    - The agency's 2025 Contingency Plan also states that states, schools and other grantees will be able to access discretionary funds from recent awards the Department made over the summer.
    - **Federal student loans** (mandatory) and **Pell Grants** (partially mandatory) disbursements to students

[13] HUD Contingency Plan for Possible Lapse in Appropriations 2023.
[14] See CRS report on the type of funding U.S. Department of Education programs receive here.

- **Discretionary programs without forward funding or advance appropriations** *(Paused)*
    - **Impact Aid**[15]
    - **Title VI-A Indian Education programs**
    - **Title VI-B and VI-C (Native Hawaiian Education Program and Alaska Native Education Program)**

DEPARTMENT OF LABOR

- **Job Corps Centers** will operate with funds provided on July 1 *(Continued)*
- **Workforce Innovation and Opportunity Act programs** with advance funding *(Continued)*
- **Unemployment Benefits** *(Continued)*
    - Support continues to states for the administration and payment of benefits
- **Employment and Training Administration (ETA)** *(Paused)*
    - The majority of ETA employees are furloughed. The ETA will not respond to grantee inquiries or audit requests during the shutdown.

DEPARTMENT OF JUSTICE

- **Federal law enforcement** *(Continued)*
    - Reportedly, OMB is seeking means to pay federal law-enforcement officers
- **Training, technical assistance, and grant disbursement activities to Tribal entities** *(Paused)*
    - Includes the Office of Violence Against Women (OVW) and Office for Victims of Crime (OVC)

DEPARTMENT OF ENERGY *(Continued/Paused)*

- Each division may continue to operate, including performance of contracts, until prior year balances are exhausted, as the agency operates with multi-year and no-year discretionary funding. Once funds are exhausted, expect agency functions to be limited to protection of life and property, with few exceptions.

DEPARTMENT OF AGRICULTURE

- **Supplemental Nutrition Assistance Program (SNAP)** *(Continued)*
    - Benefits will continue for the month of October, but a continued shutdown could result in insufficient funds to pay full November benefits.
    - New **One Big Beautiful Bill Act (OBBBA) work requirements** go into effect on November 1, but updated guidance from USDA is not available during the shutdown.

[15] ED just made FY25 final Impact Aid payments to school districts, but districts relying on same-year Impact Aid payments could experience financial strain the longer the shutdown lasts.

- **Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)** *(Continued)*
    - WIC and other child nutrition programs are using alternative funds to continue benefits for 6 million people.

- **Food Distribution on Indian Reservations Program (FDPIR)** *(Disruptions Possible)*
    - Benefits will only continue operations if discretionary carry over funds are available.
    - If supplemental funding is insufficient during a shutdown, other nutrition program operations and benefits may cease.[16]

DEPARTMENT OF TRANSPORTATION

- **Tribal Transportation Program and Tribal Transit Program** *(Continued)*
    - The agency has access to the mandatory Highway Trust Fund. All operations continue as normal for the Federal Highway Administration and Federal Transit Administration.

DEPARTMENT OF COMMERCE

- **National Telecommunications and Information Administration (NTIA)** *(Continued)*
    - NTIA is primarily funded by fees and will continue to perform critical activities, including managing the federal use of spectrum.
    - BEAD program, Middle Mile, the Digital Equity Act Tribal program, and the Tribal Broadband Connectivity Program (TBCP) are expected to continue.

- **Grants dependent on discretionary appropriations to American Indian, Alaska Native, and Native Hawaiian entities** *(Paused)*

- **Tribal Consultations and Meetings** *(Paused)*
  The Federal Communications Commission (FCC) will cancel or reschedule any events or meetings, including Tribal consultations, scheduled to occur during the shutdown.

VETERANS ADMINISTRATION

- **VA medical care and pension benefits** *(Continued)*
- **Career counseling and the Native American Veteran Housing Loan Program** *(Possible Pause)*

SMALL BUSINESS ADMINISTRATION

- **Loans for disaster preparedness and response** *(Continued)*
- **Loans, outreach, and technical support** to Native-owned businesses *(Paused)*

[16] Food and Nutrition Service Contingency Plan.

DEPARTMENT OF DEFENSE

- **Military personnel duties and pay** *(Continued)*
    - On October 15, President Trump issued a memorandum directing the agency to use all available funds to accomplish the next scheduled disbursement of military salaries and allowances for active duty servicemembers. Funding for future pay periods is uncertain.

DEPARTMENT OF HOMELAND SECURITY

- **Passport and visa applications** *(Continued)*
- **Border patrol, ICE, TSA, and U.S. Citizenship and Immigration Service** *(Continued)*
- **Immigration court cases on the detained docket** *(Continued)*
- **FEMA** will respond to emergencies but may pause work on long-term projects *(Continued)*

POSTAL SERVICE *(Continued)*

- The postal service will continue to deliver mail and all post offices are expected to be open with usual hours with exceptions. The agency does not receive tax dollars for its operating expenses and relies on revenues from sales.

LEGISLATIVE BRANCH

CONGRESSIONAL OFFICES *(Continued)*

- Congress remains open. Constituent services during this time will vary by office.

- **The Senate Committee on Indian Affairs, Office of the Vice Chairman, will continue normal operations.**

JUDICIAL BRANCH

Under the Antideficiency Act, only "essential work" related to the "safety of human life and protection of property," such as criminal prosecutions, continues. Civil cases may not be deemed essential and may experience significant delays due to a shutdown.

FEDERAL COURTS *(Continued)*

- The federal judiciary can remain operational for a limited time (weeks) during a government shutdown. For an extended shutdown, only essential services would continue.
- Unlike executive branch agencies, the courts can initially use reserve funds from sources not dependent on Congress, like court fees, to stay open. Courts operating under reserve funds may delay cases, reduce operating hours, and suspend certain court functions. To

the extent possible, federal court civil litigation will be curtailed or postponed, and the government may request that courts postpone active cases until funding is available. If such a request is denied, litigation staffing may be limited to the minimum level necessary.[17]

[17] DOJ FY 2024 Contingency Plan September 2023