

STATE OF NORTH CAROLINA OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER GOVERNOR KRISTIN WALKER STATE BUDGET DIRECTOR

Office location:

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December 4, 2024

TO: Department Heads and Chief Fiscal Officers

FROM: Kristin Walker, State Budget Director Kutullur

SUBJECT: Reminder - Potential FFY 2025 Federal Government Shutdown - OSBM Survey

On September 18, OSBM sent agencies a <u>memo</u> with guidance to prepare for a potential federal government shutdown on October 1. OSBM asked agencies to complete a survey on the potential impact to state operations and lapsed salary estimates. Due to Congress passing a continuing resolution and agencies responding to Hurricane Helene, OSBM extended the survey deadline to Friday, December 13th.

The continuing resolution Congress passed on September 25th funds the federal government through December 20th, 2024, with a potential federal shutdown taking place after that date. OSBM requests all state agencies to thoroughly review federally funded grant awards and commitments to identify impacted areas and develop strategies to mitigate service and operational disruptions.

All agencies should complete this survey, even if you already submitted a survey, and regardless of whether you receive federal funds. When completing the survey, please assume a full federal shutdown will occur December 21. Please submit responses by COB Friday, December 13th.

The following resources may be useful as you consider the impact of a full federal shutdown:

- Federal Funds Information for States September 14, 2023, Brief: Covers FAQs related to <u>last year's</u> FFY 2024 shutdown and shutdown impacts on select mandatory and discretionary programs (contact your Budget Development Analyst for a copy of this brief). OSBM will distribute a new brief if available.
- Office of Management and Budget: FAQ During a Lapse in Appropriation
- o Congressional Research Service Report on Past Government Shutdowns: Key Resources
- o Committee for a Responsible Federal Budget Q&A on Federal Shutdowns
- Federal Agency 2023 <u>Contingency Plans</u>

In answering this year's survey, it may be helpful to review your answers to your September 2023 survey. If you need a copy of your responses, please contact Melissa Roark.

Please contact your Budget Development Assistant State Budget Officer <u>Lanier McRee</u> or <u>Darryl</u> <u>Childers</u> if you have any questions. We will continue to monitor the enactment of a federal continuing resolution or budget and will provide further guidance as necessary.