

Government Shutdown Affects More Than Government Workers - AvvoStories

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The current partial shutdown of the federal government is now the longest in U.S. history. It began during the holidays, when many people were on vacation because it only affected about a quarter of the federal government, it was easy for most people to ignore. Then, on Friday, January 11, the first federal paychecks were missed. However, federal employees

are not the only ones who are starting to feel the pinch of a crippled government and it could take a long time to get back to normal once the shutdown ends.

Financial Losses

According to S&P Global Ratings, the shutdown could reduce real GDP by \$1.2 billion for each week it continues. The SEC has stopped reviewing and approving filings for initial public offerings. Once the government is fully re-opened, the backlog will delay approvals enough to reduce the total number of IPOs in 2019. For small companies relying on an IPO for the funds necessary to continue operations, the shutdown could be fatal.

The Alcohol and Tobacco Tax and Trade Bureau controls craft breweries by approving new brewery equipment and approving labels on new lines of beer. During the shutdown, none of those approvals are being processed. Seasonal beers could expire before the agency reopens, while new breweries may not be able to open at all.

But even if you aren't involved in business, you could take a financial hit during the shutdown. Among the shuttered Federal Trade Commission services is its consumer identity theft reporting system.

Delayed Tax Refunds

For now, if you have any questions about the new tax law or the W-2 forms your business is supposed to send out by the end of the month, you're on your own. Calls to the IRS receive an automated message: "Welcome to the IRS. Live telephone assistance is not available at this time. Normal operations will resume as soon as possible."

The administration has claimed that people who file tax returns later this month will get their refunds even if the shutdown continues. But whether that's possible – or even legal – is questionable. Historically, the government has defined "essential services" as important to "protect life and property." Tax refunds and the employees who process them are not considered "essential" under that definition.

Legal Delays

Becoming a U.S. citizen takes years even when everything goes smoothly. But if your immigration court date falls during the shutdown, you get sent to the back of the line. Dates missed due to the shutdown are being rescheduled years from now. Nearly all civil cases in federal courts have been delayed as well, including discrimination and whistleblower cases, disciplinary cases and retaliation actions taken against federal employees.

Getting Stranded

TSA officers are considered essential employees and expected to continue working during the shutdown. But that doesn't mean they are getting paid. Approximately 51,000 TSA officers have already missed paychecks and they are calling in sick at double the normal rate. Concerned that unpaid and understaffed officers managing airport security could increase the risk of air travel, Miami's airport reduced operating hours at one concourse, relocating afternoon flights to other gates. If the shutdown continues, increasing absenteeism could result in delayed or even canceled flights throughout the country, especially if air traffic controllers, who are also unpaid, decide to stay home, too.

Housing Insecurity

Travelers aren't the only ones who could find themselves out in the cold. Around 130,000 low-income households, many of whom are elderly or disabled, live in government subsidized housing whose landlords' contracts with the government have expired during the shutdown. The expiration of the rental contracts "likely won't prompt landlords to begin eviction proceedings immediately," but will delay repairs and interrupt services. Frustrated landlords may not renew their contracts, resulting in a permanent reduction in affordable housing.

Environmental Destruction

We've heard a lot about trash piling up at national parks, but not everything happening at national parks during the shutdown can be cleaned up as easily as litter. At Joshua Tree National Park, which is open but unstaffed, visitors cut down Joshua trees (which are under review for listing under the Endangered Species Act) and drove into sensitive areas where vehicles are banned. The damage is even more long-lasting than the decades it takes to regrow a tree. With most of their habitat threatened by climate change, it may not be possible to regrow the endangered trees.

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