MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Alice M. Rivlin

SUBJECT: Agency Plans for Operations During Funding Hiatus

Thank you for your cooperation in preparing shutdown plans for your agencies. We have completed our review process and are transmitting these plans to the House and Senate Budget Committees and the House Government Reform and Oversight Committee, at their request.

As you know, the Administration believes that a government shutdown would be bad for the country. The responsible course of action is for the Congress to complete action on remaining appropriations bills or to send to the President an acceptable Continuing Resolution which averts a shutdown at the start of the fiscal year. Nevertheless, as we approach the beginning of Fiscal Year 1996, it is clear that many Appropriations Bills will not be signed into law by September 30. A Continuing Resolution will therefore be necessary to fund government operations beginning October 1, 1995. If such a Continuing Resolution has not been enacted by October 1, departments and agencies not covered by enacted appropriations bills will experience a lapse in legal authority to enter into obligations and will be forced to implement their shutdown plans.

OMB will issue further guidance about whether and when a shutdown is required. In the meantime, agency heads may wish to inform their employees, their union representatives, Congressional committees, and other relevant groups of their plans in the event of a shutdown.