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## **Governor Shumlin Outlines Shutdown Effects on Vermont**

**COLCHESTER** – Joined by Vermont National Guard Adjutant General Steven Cray and other officials, Gov. Peter Shumlin today outlined the ongoing impacts of the federal shutdown on Vermont and urged an end to the congressional impasse.

"This shutdown may play well with Washington Republicans who are holding up the federal government for their own political purposes, but it's hurting real people in Vermont and across the country," Shumlin said. "This also will hurt our country's overall job growth and economy. It's time for those stalling progress in Congress to stop hampering our fragile economic recovery and start demonstrating a willingness to find a responsible solution to this manufactured crisis."

Administration Secretary Jeb Spaulding said the State is actively monitoring the flow of federal funds and has some ability to minimize the impact of the shutdown on Vermont, but that even so, large numbers of Vermonters are already feeling the effects of the shutdown.

"Before the shutdown, departments were instructed to draw down all eligible federal funds to prepare for the lapse in funding," Spaulding said. "That, in combination with an already strong cash position, has put the State in a position to weather a short-term disruption, but as the shutdown drags on, more and more people will be hurt, some of them badly."

The state Agency of Administration has researched the implications of the federal government shutdown for Vermont, an analysis which can be found on the agency's web site at:

[http://spotlight.vermont.gov/sites/finance\\_transparency/files/HOME/Federal%20shutdown%20implications.pdf](http://spotlight.vermont.gov/sites/finance_transparency/files/HOME/Federal%20shutdown%20implications.pdf).

The analysis contains information on Vermont programs and is updated regularly with new information.

Vermont State Treasurer Beth Pearce said the possibility of a lack of action before the impending debt ceiling limit deadline is another worry.

"The United States must not default on its financial obligations. The world economy and financial markets operate under the expectation that our leaders will act responsibly," Pearce said. "It is time for Congress to end the standoff and take action."

Immediate disruptions include:

- Putting Vermonters out of work – an estimated 5,000 federal employees who reside in Vermont are seeing reduced hours or indefinite furloughs.
- Preventing training and other activities by the Vermont National Guard, including cancellation of a monthly training weekend affecting 3,000 troops.

- Delaying support for Vermont small businesses – the processing of Small Business Administration (SBA) loans, a critical source of credit for small businesses, is being affected.
- Delaying the processing of benefits for seniors and veterans – although Social Security checks will continue to go out and Veterans Administration hospitals and clinics will remain open, seniors and veterans applying for new benefits could see significant delays in the processing of those claims.
- Affecting educational programs – Head Start programs, depending on when in the year federal grants are received, may have to cease operations because of a lack of funding.
- With the federal offices that handle housing matters, including USDA Rural Development, closed in the state and the region, new loan and loan guarantees can't be made. In addition, if the shutdown continues into November it is not clear what will happen with Housing and Urban Development programs. Delays in rental subsidies could affect nearly 14,000 low income Vermonters.
- Shutting federal lands to Vermont hunters and sportsmen – The Nullhegan Basin Division and Putney Mountain Unit of the Silvio Conte National Fish and Wildlife Refuge and the Missisquoi National Wildlife Refuge have been closed and activities such as hunting and fishing on those lands have been suspended.
- Halting important agricultural programs – many U.S. Department of Agriculture (USDA) programs have been impacted, including farm loans, market assistance loans, disaster assistance programs, assistance for the control of most plant and animal pests and diseases, and grants for research, education, and extension.