

Recovery from Shutdown Will Be Long and Difficult

By Adriel Bettelheim, POLITICO, January 25, 2019

After 35 days of mass furloughs, bureaucratic inertia and a culminating wave of airport delays, nine shuttered federal agencies began laying plans to creak back to life Friday after President Donald Trump announced a short-term deal to reopen the government.

It won't happen overnight.

The shutdown froze court cases, curtailed drug reviews and food safety inspections and sidelined investigations into matters like Facebook's data security practices. The IRS fell behind on preparations to handle millions of tax returns. The E-Verify system the Homeland Security Department runs to help businesses determine whether employees are eligible to work in the United States went offline. And the EPA twice scuttled a public hearing on a proposal to roll back a major climate rule for future power plants.

Federal workers who went without pay during the shutdown will get full back pay in the next few days. But if the president and congressional leaders can't strike a deal before Feb. 15 to reopen the government for a longer period, the employees would again be furloughed or forced to work without pay.

"I will not celebrate a temporary reprieve to a politically motivated crisis that has left many federal employees in anguish over how to pay their bills, feed their families, and keep a roof over their heads," J. David Cox, President of the American Federation of Government Employees, said in a statement.

After weeks of chaos, the thousands of air traffic controllers and baggage screeners who have been working without pay for the last month will return to a normal pay schedule. But though an immediate crisis was averted — cascading flight delays appear to have forced Friday's resolution — the shutdown could convince these federal employees to quit in numbers that would be difficult to replace quickly.

The impact could be particularly acute for Immigration and Customs Enforcement officers whose credit took a hit while they were working without pay. They risk losing eligibility for security clearances; debt and poor credit can be disqualifying based on the belief workers with financial troubles are vulnerable to bribery.

With the tax filing season due to begin on Monday, tax preparers are hoping the IRS will quickly restore its online services, including access to taxpayer data, and ensure that workers are on the job to respond to taxpayer inquiries. Still, the effects of the shutdown are likely to ripple throughout the season, as the agency deals with backlogs.

"Without a shutdown, it often takes multiple contacts with the IRS to resolve a situation," the American Institute of CPAs said in a letter Friday to Treasury Secretary Steven

Mnuchin and IRS Commissioner Chuck Rettig. "We expect tremendous additional time to work with the IRS on correspondence once the shutdown ends."

The group said the IRS should provide automatic extensions of notices and collections for 90 days after the shutdown ends, and stop assessing penalties and interest.

Meanwhile, the Interior Department will immediately confront one of the most vivid symbols of the shutdown: the widespread damage at national parks that were left unstaffed for more than a month. The open access led to members of the public cutting down trees at Joshua Tree National Park in southern California to make way for offroad vehicles, leaving piles of human excrement and toilet paper on trails and committing other forms of vandalism, according to complaints.

Work that continued during the shutdown could be the subject of future court battles. Interior continued to work on permits to drill for oil and gas on federal property. But Democrats and some environmental groups have said that work could be legally challenged unless the agency can prove that it was using money Congress had already appropriated, as the department said it had.

One important part of the government-wide reboot will be updating federal websites with security certificates that expired during the shutdown, making some inaccessible. The problem affected at least 130 sites with ".gov" domain names, including ones at Justice, Homeland Security and NASA. Many online services were inaccessible and communications rendered insecure.

The end of the shutdown is likely to be welcomed by those farmers and ranchers who've seen disruptions at local Farm Service Agency offices and may have been unable to apply for relief payments. Agriculture Department crop data reports have also been frozen, a nuisance to commodity traders and growers gearing up to make planting decisions for 2019.

It remains to be seen whether the bill to reopen the government will provide certainty to the nearly 39 million people who rely on Supplemental Nutrition Assistance Program benefits to buy groceries each month. USDA already paid out \$4.8 billion in February benefits to SNAP recipients early using a budgetary workaround, but March funding has been a huge uncertainty.

Some rural health programs and projects could be delayed for months, including efforts to build homeless shelters, domestic abuse victim centers, hospitals and addiction treatment facilities. The affected projects are backed by grants and loans awarded last fall by the USDA's rural development program.

"We kind of have the perfect storm with the shutdown and the vast devastation from Hurricane Michael," said Lori Allen, executive director of Florida's Gulf Coast Children's Advocacy Center, which won \$340,000 for a new facility for children who are victims of rape and domestic abuse. "We're at a standstill with any future plans."

Federally funded university research could also be slow to recover. The National Science Foundation, for instance, canceled at least 70 grant reviews over the last month as the shutdown dragged on.

Department of Housing and Urban Development employees will be returning to a backlog of lapsed contracts and requests for maintenance and repairs in public housing. The Federal Housing Administration will have to sift through a pile of multifamily housing loan requests.

Over 1,000 HUD project-based rental assistance contracts with private landlords lapsed during the shutdown. Housing advocates worry about lasting damage to confidence in federal housing programs.

“I think this has been sort of a sobering experience for everybody — this whole concept of public-private partnerships requires that the government lives up to its expectations,” said Buzz Roberts, CEO of the National Association of Affordable Housing Lenders.

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