



*Week Ending 10-10-25
Volume 25 | Issue 32*

Congressional Overview

The government shutdown continued, and the Senate returned to session this week; however, Speaker Johnson (R-LA) announced his intention to keep the House in recess until the government reopens, but House Minority Leader Jeffries (D-NY) asked his caucus to return to D.C. again this week.

The Senate continued taking votes on the House-passed continuing resolution (CR) and Democrat proposal, and leadership considered more administration nominees for confirmation votes. The chamber voted on a resolution (S.J. Res. 71) from Sen. Kaine (D-VA) to terminate the president's national energy emergency, along with votes on a resolution (S.J. Res. 83) offered by Sen. Schiff (D-CA), that would invoke the War Powers Resolution to block military action, including strikes against boats in the Caribbean, against designated foreign terrorist organizations. The House will not hold any committee hearings this week.

Government Shutdown Continues

On the evening preceding the government shutdown (Tuesday, September 30), the Senate conducted a second round of votes on both the House-passed continuing resolution (CR) and the alternative proposed by Senate Democrats; however, neither measure attained the requisite 60 votes to advance past a filibuster and move to consideration of the underlying legislation. The House bill received a 55-45 vote, with Democratic Senators Cortez-Masto (D-NV), Fetterman (D-PA), and King (I-ME) (who is an Independent but caucuses with the Democrats) voting in favor, while Republican Senator Paul (R-KY) opposed it. The Democrats' CR failed along party lines with a 47-53 vote.

The Senate revisited both measures for a third time on the initial day of the shutdown (Wednesday, October 1) and a fourth time on the subsequent Friday, with the same three Democrats maintaining their support for the House-passed CR. Both pieces of legislation are scheduled for additional votes this week.

A number of centrist Senators from both parties have initiated informal discussions aimed at resolving the impasse. Nevertheless, party leadership remains steadfast in their respective positions. The Democrats have indicated that, at a minimum, they seek assurances from Republicans regarding consideration of a bill to extend enhanced ACA premium tax credits, as well as a commitment from the administration not to rescind fiscal year 2026 bipartisan spending agreements. Conversely, Republican congressional leaders maintain that the only viable solution is enactment of the House-passed CR, proposing that discussions concerning tax credits may occur later in the year.

Recent administrative actions have added complexity to efforts to resolve the deadlock. Following the commencement of the shutdown, the Office of Management and Budget (OMB) announced the cancellation of billions of dollars in infrastructure and energy project funding, predominantly affecting Democratic constituencies. To that end, OMB froze \$18 billion in federal funds for New York City's mass transit system due to "discriminatory, unconstitutional contracting processes." Additionally, OMB froze \$8 billion in climate projects across 16 blue and purple states.

President Trump and members of his administration have indicated intentions to pursue permanent funding reductions for agencies perceived as supportive of Democratic policies and to initiate substantial layoffs of federal employees, potentially beginning within the week. The President has asserted that Senate Democrats enabled him to advance his agenda of significant federal cutbacks by declining to support the House CR. These developments have complicated the Republican message regarding their opposition to a government shutdown and appear, at least temporarily, to have reinforced Democratic resolve.

Partisan communications and polling on public sentiment continue. Since last Monday, there has been no direct communication between Democratic congressional leadership, their Republican counterparts, or the President. However, forthcoming deadlines may influence negotiations: a major federal nutrition program (Women, Infants and Children, or WIC) is projected to exhaust its funds as early as this week, most federal employees will miss their first paycheck on Friday, and active-duty military personnel are slated to miss their first paycheck on October 15.

IRS Announcements

The Treasury Department has announced that Frank Bisignano, Commissioner of the Social Security Administration (SSA), will take on the newly established role of Chief Executive Officer of the IRS while continuing his responsibilities at SSA. Treasury Secretary Scott Bessent will retain his position as IRS Commissioner.

Grijalva of Arizona

It was over two weeks ago that Democrat Adelita Grijalva easily won a special election for a U.S. House seat from Arizona. House Republicans could have sworn her into office but have refused. Adelita Grijalva was elected to the seat previously held by her father, former-Rep. Raul Grijalva (D-AZ), who died earlier this year. Once she is sworn in, party ratios in the House will be 219 Republicans and 214 Democrats. This is a break in precedence and the call for swearing her in is only going to get louder.