11.10.2025

Director's Summary of Federal Shutdown

The Shut Down Vote of 11.09.2025

There was a vote in the Senate, 11.09.25, to accept a new Continuing Resolution (CR) from the Republicans to end the current shut down. Some Democrats crossed the aisle and voted to accept the end of the shutdown. No WI senators crossed the aisle to vote in favor of ending the shutdown. Senator Baldwin indicated that the new CR put forth by the Senate to end the shutdown would not adequately serve her constituents. New link available from National Low Income Housing Coalition: https://nlihc.org/resource/senators-propose-potential-agreement-end-record-breaking-government-shutdown

SNAPS & Affordable Care Act (ACA)

The new CR contains full funding of SNAPS and WIC through the fiscal year, which is September 2026. There was a temporary restraining order (TRO) to prevent nonpayment of SNAPS funding to recipients. The State of WI joined this case. https://www.nj.gov/oag/newsreleases25/2025-1028_MA-v-USDA-Memo-ISO-Mot-for-TRO.pdf Once the TRO went through, WI immediately pulled their federal funding and passed the funds to WI SNAP recipients. The funding came from the $5.5 billion available from the original SNAP contingency plan. The total national monthly SNAP expense is $9.5 billion. The administration has been told to find the remaining $4 billion to complete the rest of the SNAP funding for states that did not get their allotment uploaded. This funding is only for November 2025. We still need to wait to see if there is anything for December funding.

Nothing in the proposed new CR takes care of the ACA funding or coverage. Republicans promised that support of ending the shutdown will provide Democrats an opportunity to discuss the ACA cuts and potential restoration of funding, in the new CR. After passing the Senate 11.09.2025, the vote for ending the shutdown will go to the House for their vote. House Democrats indicate they will not support anything that does not address ACA changes. Once the vote goes to the House, if it passes, it goes back to the Senate. The Senate pushes it through to Trump, and Trump signs off on it. While this may take care of the CR, a new ACR proposal addressing health care costs is not guaranteed, the Speaker of the House can refuse to bring any new ACA proposal to the House floor for a vote.

The new CR has an expiration date of January 30, 2026. The new date allows for rehiring of federal employees laid off or terminated from the current shut down and getting them paid. That means come January 30, we could be right back where we are with another shutdown.

HUD and CoC Funding

The National Alliance for Ending Homeless (NAEH), sent out the link to an article from Politico, https://www.politico.com/news/2025/09/29/trump-admin-looks-at-deep-cuts-to-homeless-housing-program-00585770?nid=0000014f-1646-d88f-a1cf-5f46b7bd0000&nname=playbook&nrid=7c6ca5b4-6456-4a3e-bd37-ecd4f4e75e5a NAEH has

verified the sources as credible. HUD sources are cited as stating that 80% of all the funds ending in 2026 are slated to support permanent housing in some capacity. Only 30% of the funds are going to be allowed to be used for that purpose in the future. So that means for the calendar year, $3.3 billion are currently in there, and it's going to be cut to less than half. So that's going to be about 1.1 billion once the policy change goes in. Trump has put in his budget to cut the entire COC program. Questions remain whether he's going to put COC funding in with ESG funding and ask the states to run it, and whether there would be more planning grants, or would that also run through the states.

Concerns Regarding the Next NOFO

Nationally, we do not know at this time whether we are having year two of last year's NOFO or a new competition, which HUD notified CoCs about in July 2025. One concern that we have is that another grant NOFO for the COC Builds grant 2025, had certain things that were checked, check off yes or no, prohibit public camping or lawyering, and enforce the prohibition substantially implement and comply with SORNA, which is the case of registered sex offenders with no fixed address, including adequately mapping and checking the location of homeless, sex offenders, city, county, state in which the project is located must cooperate with federal immigration enforcements. It's not a question of, could Racine County get COC funding if they said that they would comply with immigration, it is the city, county or state in which the project is located. Our state does not currently insist that that be done. We do not have any guarantee that those are not going to be floated for the COC. This is our concern at this time. We are also about the 30% cap on housing and the push of the administration from permanent supportive housing and rapid rehousing projects to transitional housing projects.

State Concerns Around Cicero Foundation

The Cicero Foundation https://ciceroinstitute.org/ has submitted some bills to the Wisconsin State Legislature. They are asking for increasing maximum penalty for certain controlled substances offenses if the violation occurs near a homeless shelter. They are a conservative organization moving from state to state writing and proposing legislation which amounts to the criminalization of homelessness (as CoCs view it nationwide).

https://docs.legis.wisconsin.gov/raw/proposal/2025/-5149

The second one is related to the use of public lands to provide temporary residents for the homeless and providing a penalty. https://docs.legis.wisconsin.gov/raw/proposal/2025/-5148

And the third one is a pay for performance grant requirement. "For each eligible grant awarded to a grant recipient, DOA must withhold between 10 and 50 percent of the amount of the eligible grant for at least nine months after the award. DOA may then pay the amount withheld to the grant recipient only if the recipient demonstrates that it has met one or more of the following performance objectives, as determined by DOA."
https://docs.legis.wisconsin.gov/raw/proposal/2025/-5145

Abbreviations

ACA - Affordable Care Act; aka Obama Care. https://www.healthcare.gov/glossary/affordable-care-act/

CR - Continuing Resolution means an appropriation, in the form of a joint resolution, that provides budget authority for Federal agencies, specific activities, or both to continue operation until the regular appropriations are enacted. Typically, a continuing resolution is used when legislative action on appropriations is not completed by the beginning of a fiscal year. https://www.acquisition.gov/tar/1232.770-2-definition.#:~:text=Continuing%20Resolution%20(CR)%20means%20an%20appropriation%2C%20in,by%20the%20beginning%20of%20a%20fiscal%20year.

SNAPS - Supplemental Nutrition Assistance Program formerly known as Food Stamps, distributed via EBT – Electronic Benefit Transfer directly to a card that operates as a debit card.
Federal link: https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program
State of WI link: https://www.dhs.wisconsin.gov/foodshare/index.htm
WI Quest Card link: https://www.dhs.wisconsin.gov/foodshare/ebt.htm

TRO - temporary restraining order

WIC – Women, Infants, and Children https://www.fns.usda.gov/wic