



Effects of the Trump Shutdown In Kentucky

By Saharra Griffin

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President Donald Trump's shutdown of the federal government over demands for billions of dollars in new border wall funding is already having profound consequences for hundreds of thousands of working Americans and a wide range of vital services. And each day the impasse continues, as funding dries up and more agencies exhaust emergency measures, these harmful effects will only be exacerbated.

Although the new Democratic House majority passed legislation to reopen the government, the president has continued to stall negotiations.¹ To enable the stalemate, Senate Majority Leader Mitch McConnell (R-KY) and other Republican senators reversed their earlier opposition to the shutdown just days after the chamber unanimously passed a similar deal.

"The Kentucky Republican [McConnell] is not lending his expertise to help Trump negotiate a deal with House Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer." –The Courier-Journal, January 3, 2019²

Due to Trump's shutdown, an estimated 6,300 federal employees in Kentucky are furloughed or working without pay.³ Below is a breakdown of affected federal employees and agencies in the state.

U.S. Department of Agriculture: 3,600 employees

In Kentucky, an estimated 1,000 Department of Agriculture employees, including those working for the following agencies, are furloughed or working without pay.⁴

- **The Farm Service Agency** office in Lexington and 64 local offices across the state facilitate new assistance programs under the farm bill, which is particularly critical due to the recent hemp legalization.
- **The Food Safety and Inspection Service** prevents foodborne illness by ensuring that meat, poultry, and egg products produced in Kentucky are safe and accurately labeled.

- **The Animal and Plant Health Inspection Service** defends the state’s agricultural resources from pests and diseases.
- **The Office of Rural Development** offers loans and grants to help create jobs and support economic development in rural communities.
- **The Forest Service** protects and manages the state’s forests and grasslands.
- **The Agricultural Research Service and the National Agricultural Statistics Service’s Eastern Mountain Regional Field Office** collect detailed agricultural production data in five states.

“The only wall that matters inside Smokin’ This and That BBQ is the one signed by every serviceman and servicewoman who comes in. Guy Cummins, who owns the restaurant with his wife, Mandy, said they came up with the idea to give federal employees free meals because ‘it’s the right thing to do.’” –WLWT News 5, December 26, 2018⁵

Additional agencies

The Trump shutdown is also harming the following workers and agencies:

- The National Park Service, which supports the state’s only national park, Mammoth Cave, which is closed as a result of the shutdown⁶
- An estimated 330 Federal Aviation Administration and Transportation Security Administration employees at the state’s five commercial airports
- An estimated 850 Federal Bureau of Prisons employees at Kentucky’s four federal prisons and correctional institutions

If the partial government shutdown continues, tax filing season could be more difficult for Kentucky families and small businesses. Because IRS offices are closed and the agency is operating with a skeletal staff, taxpayers and preparers may have trouble accessing needed guidance.⁷ Last year, the agency processed 6.1 million refunds within the first week of filing season in January.⁸

“Going nearly two weeks with zero income, [Kristy] Demas is starting to lose hope she’ll come out of the shutdown financially stable. ‘Most employees are one paycheck away from being homeless and we are now at that one paycheck,’ Demas said.”
 –WAVE 3, January 3, 2019⁹

Moreover, Kentucky’s 350,000 small businesses are unable to receive guaranteed loans and technical assistance from the Small Business Administration state office in Louisville.

Already reeling from the effects of retaliatory tariffs and Trump's incoherent trade policy, Kentucky's farmers are now being needlessly harmed by Trump's government shutdown. The Department of Agriculture's loan and financial aid department is closed, so farmers who have not yet filed tariff mitigation will not receive payments until the shutdown ends.¹⁰ The department has also delayed the release of major crop forecasts—the Crop Production Report and World Agricultural Supply and Demand Estimate—on which farmers and traders rely to plan production.¹¹ Farmers must decide whether to wait for the shutdown to end or make decisions based on less dependable information.

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Endnotes

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- 2 Joseph Gerth, "McConnell, stop sitting on your hands. End this government shutdown," *The Courier-Journal*, January 4, 2019, available at <https://www.courier-journal.com/story/news/local/joseph-gerth/2019/01/04/government-shutdown-what-mcconnell-doing-not-enough/2485027002/>.
- 3 Seth Hanlon and Saharra Griffin, "Effects of the Trump Shutdown on Federal Workers' Paychecks: State-by-State Estimates," Center for American Progress, December 21, 2018, available at <https://www.americanprogress.org/issues/economy/news/2018/12/21/464638/effects-trump-shutdown-federal-workers-paychecks-state-state-estimates/>.
- 4 U.S. Department of Agriculture, "Agencies," available at <https://www.usda.gov/our-agency/agencies> (last accessed January 2019).
- 5 Jatarca McGee, "NKY restaurant serving free meals to federal employees during shutdown," *WLWT News 5*, December 26, 2018, available at <https://www.wlwt.com/article/this-nky-restaurant-is-serving-federal-employees-for-free-during-shutdown/25687064>.
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- 7 Internal Revenue Service, "Contact Your Local IRS Office," available at <https://www.irs.gov/help/contact-your-local-irs-office>; Darla Mercado, "White House promises tax refunds will go out, but there's hardly anyone at the IRS to do the work," *CNBC*, January 7, 2019, available at <https://www.cnn.com/2019/01/07/white-house-official-says-tax-refunds-will-be-sent-out-despite-government-shutdown.html>.
- 8 Internal Revenue Service, "Filing Season Statistics for Week Ending February 2, 2018," available at <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-february-2-2018> (last accessed January 2019).
- 9 Kaitlin Rust, "Partial government shutdown putting pressure on local federal employees," *WAVE 3*, January 4, 2019, available at <http://www.wave3.com/2019/01/04/partial-government-shutdown-putting-pressure-local-federal-employees/>.
- 10 Juliet Linderman, "Government shutdown could block federal aid to farmers hit by trade war," *Associated Press*, December 28, 2018, available at <https://www.desmoines-register.com/story/news/2018/12/28/government-shutdown-federal-aid-farmers-usda-payments-presidential-trump-trade-war-china-soybeans/2434143002/>.
- 11 Julie Ingwersen, "U.S. delays key agriculture reports due to government shutdown," *Reuters*, January 4, 2019, available at <https://www.reuters.com/article/us-usa-shutdown-usda/u-s-delays-key-agriculture-reports-due-to-government-shutdown-idUSKCN10Y1K9>.

