



This message is being sent on behalf of Commissioner Mick Thompson and the Conference of State Bank Supervisors. To verify the legitimacy of this message, you are encouraged to contact the Oklahoma State Banking Department at 405-521-2782.

Absent a last minute deal or extension, federal government funding will expire at midnight tonight, forcing a government shutdown. The core issue causing the budget disagreement is implementation of the Affordable Care Act (ACA). The House-passed bill funds the government through December 15th and delays implementation of the ACA for one-year. Conversely, the White House-backed Senate-passed bill removes the ACA language. For additional information, you can read an article from *The Atlantic* entitled "Countdown to Shutdown: A Primer on Where Budget Wrangling Stands" by clicking [here](#).

Impact on Federal Financial Regulation

The shutdown will not directly affect the operations of the federal banking agencies because they are not subject to appropriations. The FDIC and OCC are independently funded via bank assessments. The Federal Reserve is funded through its market activities, and the CFPB is directly funded by the Federal Reserve. Treasury has also announced FSOC will not be affected by the shutdown.

However, FinCEN, SEC, HUD, IRS, CFTC, and SBA are subject to appropriations and will institute significant employee and services rollbacks. Treasury has announced FinCEN would stop most BSA law enforcement support functions. The SEC has announced it will be able to file documents, but processing and approving applications will be discontinued. With 8,360 of its 8,709 employees expected to be furloughed, HUD has announced staff will be unavailable to approve new FHA loans. These and similar service stoppages should be expected for the duration of any shutdown. A Politico article on the economic impact of the shutdown is available [here](#).

OSBD will send out updates as appropriate.

Please contact us with any questions or needed assistance in the event of a government shutdown.

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