

From: Jim Morrell jmorrell@pcfcu.org 
Subject: Federal Government Shut Down
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To: 1AllStaff 1AllStaff@pcfcu.org

Good Morning Team PCU,

You may have begun to hear in the news about a Federal Government Shutdown. It is increasingly probable that this will happen at midnight this Saturday night, September 30. Please review the information below about what is happening, how it will affect our members and how PCU is preparing to support our members.

Over the weekend, once there is confirmation of a shutdown, there will be an e-mail sent to all of our membership (see attached) which includes an abbreviated version of what you are receiving here.

Also, today or early tomorrow, you will be receiving additional information about the specifics related to the menu of options we will have to support our members.

What's happening?

Under the constitution, our government cannot continue to operate without a budget in place. Our government fiscal year begins October 1st and that is the deadline to pass a new spending budget.

Without the spending budget in place, we experience a government shutdown. This has happened before, most recently in 2019. During shutdowns, many federal employees are told not to report for work. Government employees who provide what are deemed essential services, such as air traffic control and law enforcement, continue to work, but don't get paid until Congress takes action to end the shutdown.

Benefits such as Social Security and Medicare continue to flow because they are authorized by Congress in laws that do not need annual approval.

Shutdowns are disruptive and can lead to delays in anything from processing applications for passports, to shuttered visitors centers and bathrooms at national parks.

Those that will not be paid or furloughed include military personnel, government contractors who may support Naval Base Kitsap or JBLM, other federal government agency workers that are deemed non-essential, air traffic controllers, and the list goes on. Also, WIC (Women Infants and Children's) funding we understand may stop next week and the SNAP (Supplemental Nutrition Assistance Program (SNAP) funds will run out over a couple short weeks of time.

How does this affect our membership?

A government shut down can affect our membership directly and indirectly:

1. *Directly* - Most federal employees are told not to report for work. If any of our members are employed by a branch of government that is shut down, their payroll checks stop. This negatively impacts their household budgets immediately.
2. *Indirectly* – Most government contracts also stop during a shutdown, negatively impacting the employees and owners of businesses that work for companies that contract with the government. This can have wide reaching impact, especially within our footprint as there

government. This can have wide reaching impact – especially within our footprint as there are many companies that work with the military bases in our areas. These people too may be laid off, furloughed, or asked to receive less pay while the shutdown occurs.

How can PCU assist during these difficult times?

Fortunately for our members, PCU has helped weather these troubled times before. We are drawing from our experience to put in place several plans designed to assist our members and employees negatively impacted by the government shutdown. Solutions like:

- Penalty free certificate withdrawals – Allowing certificate closures for members who are able to demonstrate they are directly impacted.
- Skip Pay Program – We have a skip loan payment program that allows up to a maximum of three per calendar year.
- Share Secured – to allow people to maintain their hard-earned savings, share secured loans are an option.
- No fee Visa cash advances – to help pay for short term expenses.
- EPAL – Emergency Paycheck Advance Loans – A temporary loan product to help bridge a time before pay would resume.
- Budgeting and Financial Support Information – Utilizing information from Balance, we can direct members to tools and resources available.

What's next?

Continue to listen and serve with empathy. Our members may express directly or indirectly their concerns over how this will impact them. Listen for cues and offer helpful suggestions.

Please pass along to your leadership any other suggestions and feedback you have!

Thank you for the care you put into every day and every interaction.

Jim

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