



OFFICE OF THE GOVERNOR

September 26, 2013

RICK PERRY
GOVERNOR

Dear Agency Heads:

If Congress fails to negotiate a continuing resolution before the Consolidated and Further Continuing Appropriations Act of 2013 expires next Monday (September 30), state agencies that receive discretionary federal funds must be prepared to continue essential operations in the face of a shutdown of the federal government.

I expect that each agency will continue to perform its duties to serve the citizens of Texas. In the face of a temporary lapse in federal funds, state agencies should be prepared to implement plans that maintain operations and ensure continuation of essential functions and services to Texans. As agencies develop those plans, they should establish funding priorities for those services most critical to the health, welfare and safety of Texans. Plans should first use existing budget transfer authority to continue services if federal funding is curtailed during a shutdown. Your plans should identify services that might be temporarily disrupted.

I urge you to reach out to your federal agency counterparts to seek guidance on how to handle any federal funds you receive or federal programs you administer that would be affected by the failure of Congress to approve a funding resolution that continues government appropriations. Part of that discussion should include written clarification regarding whether the state may be reimbursed once federal funding resumes for costs for federal programs charged to state funds during any shutdown. I am enclosing a letter from the director of the Office of Management and Budget (OMB) that was sent to federal agency leaders that might be useful. The following is a link to OMB that should have updated information from the federal government: <http://www.whitehouse.gov/omb>.

Agencies also should provide state leadership with a copy of their operational plans in the event of a shutdown of the federal government that clearly indicates funding priorities, temporary funding strategies for continuing those government functions, functions that could be impaired by the lapse in funding and a timeline of when your agency's programs might be impaired were the impasse in Congress to continue for an extended period of time. Please send a copy of those plans by October 1 to Kate McGrath, Director of my Budget, Planning and Policy division, as well as to Lieutenant Governor David Dewhurst, Speaker of the House Joe Straus and the Legislative Budget Board.

If you have any questions, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in black ink that reads "Rick Perry".

Rick Perry
Governor

Enclosure

cc: The Honorable David Dewhurst
The Honorable Joe Straus
Legislative Budget Board Members