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This update reflects facts as of Monday morning, November 3, 2025. The situation is fluid and may change.

Government funding continues to be the focus of Congress, but with little sign of movement by either party as the shutdown enters its sixth week. The situation is dynamic, but full effects of the shutdown are still to be felt, potentially delaying a resolution further. Some progress has been seen in Senate bipartisan negotiations of some permanent funding bills, but little else. The prospects of a trade war with China, however, seem at least for now to have diminished after a meeting of leaders last week.

Government funding. The government shutdown will become the longest in history on Wednesday, if no resolution is reached. It will then exceed the 35-day shutdown in 2018-19 in President Trump's first term.

Two events that might have created substantial pressure for a resolution, however, have been temporarily postponed. First, the Administration transferred existing funds from other accounts to pay members of the active military service on October 15 and again on October 31. Whether it will be able to do so in the future is unclear.

Secondly, two district courts have ordered that the Administration utilize a contingency fund to pay benefits under the Supplemental Nutrition Assistance Program (SNAP). Regular funding for SNAP has been exhausted as of the beginning of November. About \$6 billion is available in the contingency fund, enough to pay about two-thirds of the \$9 billion cost of full November benefits. Exactly how the contingency funds will be used—full benefits for a time or partial benefits for a longer period—remains under discussion. The Administration has indicated preliminarily, however, that it will not appeal the courts' orders, and the Treasury Secretary has said that benefits can be restored by Wednesday.

The open-enrollment period for 2026 Affordable Care Act health insurance began on November 1. If one reason for opposition of Senate Democrats to passage of temporary funding measures was to determine the impact the ACA premium increases, that objective may now have been achieved.

Congress may also see some indication of the public perception of the shutdown and other

controversies this week in gubernatorial elections in New Jersey and Virginia, state supreme court elections in Pennsylvania, and a redistricting referendum in California, among others. Close attention will be paid to the results of those votes, particularly to the margins.

Passage of a temporary funding measure, such as the continuing resolution passed by the House in mid-September, would be only a stopgap measure. Whether lasting until November 21, like the House CR, or until later in the Fall, there will remain the issues of extension of expanded ACA benefits and funding for Medicaid, public broadcasting, and international organizations, as well as the question of executive branch rescissions and impoundments. A future deadlock and shutdown could be a real possibility even with passage of a CR.

Trade. The President spent most of last week in the Far East. In addition to concluding trade agreements with South Korea, Cambodia, and Maylasia, the President also reached a détente with China on trade matters. In exchange for eliminating new punitive U.S. tariffs and loosening of restrictions on exports of technology, China agreed to ease restrictions on the export of critical rare earths, for which China is nearly the exclusive producer, and elimination of bars to U.S. agricultural imports. That has largely restored the status quo ante for at least the next year.

The Supreme Court will hear oral arguments this week on the legality of the broad-based tariffs ordered by the President under the International Emergency Economic Powers Act (IEEPA). Revenue collected under tariffs based on IEEPA is reportedly nearing \$200 billion.

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Contacts

John Gimigliano

**Co-Principal in Charge, Federal,
Legislative & Regulatory Services
Washington National Tax**
T: 202-533-4022

E: jgimigliano@kpmg.com

Jennifer Acuña

**Co-Principal in Charge, Federal,
Legislative & Regulatory Services
Washington National Tax**
T: 202-533-3800

E: jenniferacuna@kpmg.com

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