

NEWSLETTER *Published September 22, 2023 · 5 minute read*

On the Grid: Bracing for Shutdown 09/22/23

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We're just a week away from the end of the fiscal year, and as of this email, lawmakers have yet to strike a deal to avoid a government shutdown. House Republicans have introduced a stop-gap measure to ensure funding runs through the end of October but with a caveat—an 8% cut to all non-defense spending with serious consequences that we'll dig into below. The bill blatantly contradicts the bipartisan agreement reached in June on limits for government spending. While it's unlikely to rally enough support to advance further, the bill underscores just how disorganized House Republicans truly are. Despite their claims to want to lead, they're demonstrating that they have no real solutions for the challenges we face.

We're digging more into the government shutdown this week, unpacking what's on the line for the American economy, our competitiveness in global markets, and our clean energy industries.

P.S. Do you want to be part of an amazing team dedicated to tackling some of the toughest challenges in the climate and clean energy space? Then you're in luck! Apply for [Third Way's Climate and Energy Team!](#)



While most policymakers are working to come together on a bipartisan stop-gap funding bill to sidestep a government shutdown, House Republicans have continued to prioritize power plays over their own constituents. This week, they are backpedaling on previous agreements reached during June debt ceiling negotiations and threatening a government shutdown.

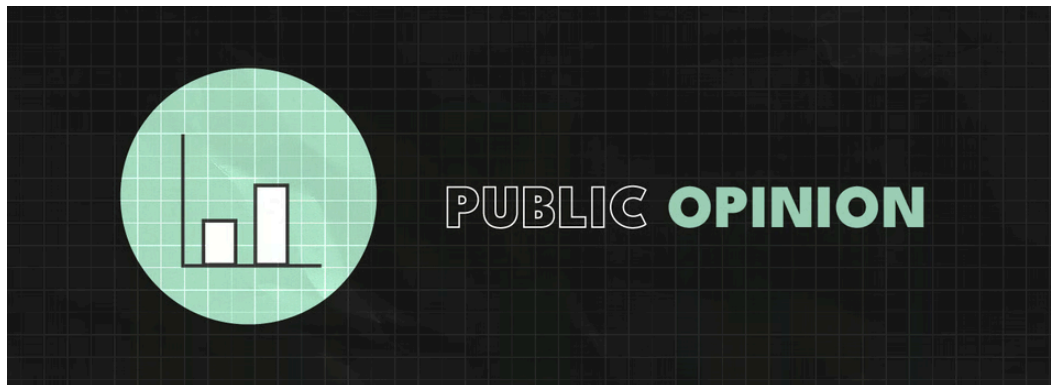
Key factions of the House introduced a continuing resolution (CR) to ensure funding through the end of October, keeping military and veteran funding at FY23 levels while

slashing non-defense spending by 8%. Here's a look at some of the potential fallout that cuts like this will have on American families and businesses:

- 250,000 American workers would be denied job training and employment services;
- 50,000 workers would lose an average of \$1,000 in back wages they are owed;
- And, 4,000 fewer rail safety inspection days next year alone, with nearly 11,000 fewer miles of track inspected annually.

In addition to indiscriminate cuts to federal spending, the CR would also impair essential government programs. For example, the Low Income Home Energy Assistance Program (LIHEAP), which provides heating and cooling assistance to over 6.5 million households, would see a 60% cut, endangering thousands of low-income families ahead of colder months.

The impacts of House Republicans' extreme CR are concerning, but that plan is likely to fail. That's why we'll be exploring the broader implications of a long-term government shutdown on key programs and clean energy deployment across the US in next week's newsletter. Stay tuned!

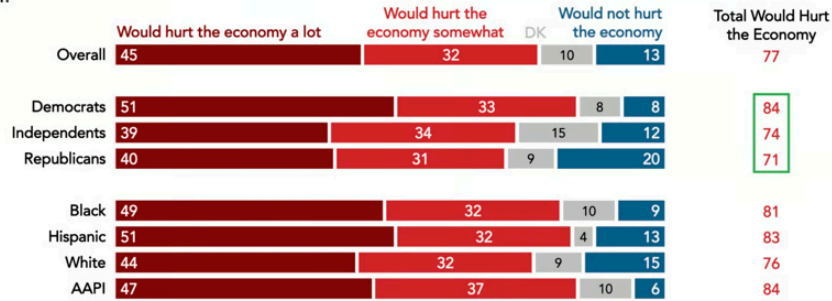


A complete government shutdown would be detrimental to the economy—but do Americans know that? The short answer is a resounding yes.

Americans Broadly Recognize the Harm a Government Shutdown Would Do to the Economy

Large majorities across partisan and racial groups say a government shutdown would hurt the economy “a lot” or “somewhat,” including more than four in five Democrats (84%) and more than seven in ten independents (74%) and Republicans (71%).

Regardless of how much you have heard about a potential government shutdown this fall, how much do you think a shutdown would hurt the economy, if at all?



Nationwide survey of 1,000 registered voters conducted September 7-September 11, 2023.
For more info, visit navigatorresearch.org.

navigator.

A nationwide survey from [Navigator](#) shows that large majorities of Americans across the political spectrum believe that a government shutdown would significantly damage the US economy. Here’s the catch—a large share of Americans are not clued into the details of the shutdown, leaving the door open for misinformation and twisted narratives to take root. It’s important that we continue to set the record straight—the government shutdown and the cascade of negative impacts it will have falls squarely on the shoulders of House Republicans who are putting Americans’ livelihoods on the line for aimless political maneuvering.



- Last year, we released a [landmark analysis](#) outlining a distinct strategy for the US to sharpen its competitive edge across 10 clean energy technologies and capture a

significant portion of a \$130 trillion global clean energy market, all while cutting harmful emissions. We've outlined a [fact sheet](#) that lays out three big reasons why everyone should be excited about this direction for American leadership in clean energy.

- The US is alarmingly reliant on Russia for nuclear fuel, allowing Putin the license to defy international sanctions with relative ease and dictate terms in the global market. Our [new memo](#) analyzes the dangers of Western reliance on Russia and outlines how investing in nuclear fuel production capacity and securing the global supply chain can help us tip the scales and maintain our reputation as global nuclear leaders.



- [Shannon Osaka and Emily Guskin](#) in *The Washington Post* look at the electric vehicle market and unpack public perception of the transition to cleaner forms of transportation.
- [Emily Pontecorvo](#) in *Heatmap* provides a quick rundown of the UAW strike, what the unions are demanding, and how electric vehicles are woven into the conversation.
- [Jason Bordoff](#), host of Columbia University's *Energy Exchange* podcast series, talks with Brian Deese, former director of the White House's National Economic Council, about the surge of clean energy investment catalyzed by the Inflation Reduction Act and what that means for the US economy.

ON SOCIAL

Third Way's Climate and Energy Program highlights Dr. Ellen Hughes-Cromwick, Third Way's Senior Resident Fellow, as she discusses the ongoing UAW strike, the impact on the electric vehicle industry, and what it means for US competition.



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Third Way's Ellen Hughes-Cromwick joined [@mitchellreports](#) to give her take on UAW negotiations and what it'll take for the US to stay competitive in EV manufacturing.



