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Workplace Ramifications of the Government Shutdown

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The federal government shutdown impacts private-sector employers regardless of their reliance on, or partnership with, the federal government. In a recent SHRM survey¹, nearly half of the human resource professionals who responded indicated their employer was unprepared for a shutdown and had minimal or no plans in place. The same survey noted anticipated decline in employee morale, increased workplace stress, and reduced productivity as a result of the shutdown. Ironically, the government shutdown likely increases the human resources department workload.

The current federal government shutdown began on October 1, 2025 when the federal fiscal year ended without a new appropriations bill or a stopgap funding measure. All federal agencies are limited in their operations during the current government shutdown with certain agencies remaining more active than others, depending upon agency-specific shutdown plans.

The Occupational Safety and Health Administration (“OSHA”) is still inspecting imminent danger situations, workplace fatalities and catastrophes, complaints involving serious safety and health risks, and processing abatement of previous high gravity serious violations. Employers in the 22 states that maintain State Plans to enforce private sector workplace safety regulations, which include Michigan and Indiana, will see no changes during the government shutdown. All employers should continue submitting severe injury reports, when appropriate, and all employers should still timely file notices of contest for federal OSHA citations within the 15 working day statutory deadline despite the fact that informal conferences may not be held prior to the Notice of Contest deadline.

The Equal Employment Opportunity Commission (“EEOC”) will continue to accept new charges of discrimination during the shutdown but will not investigate charges and will not actively litigate pending cases. EEOC mediations are cancelled and EEOC staff are currently unavailable to provide compliance assistance or otherwise respond to employer correspondence or phone calls. However, the Ohio Civil Rights Commission is still fully functional, continues to investigate charges, and is not impacted by the federal government shutdown. Regardless of the federal government shutdown, employers should remain cognizant of their legal obligations to promptly, thoroughly, and impartially investigate any internal complaints of discrimination and/or harassment.

¹ Direct and Indirect Impacts of An Impending Government Shutdown on Workers and Workplaces, SHRM, 2025.

The Department of Labor (“DOL”) has stopped all technical assistance and compliance audits. Child labor investigations and mine and other hazardous workplace investigations will continue as will unemployment insurance benefits and other benefits support. The DOL has indicated that it will not process foreign labor certification applications necessary for nonimmigrant visas, resulting in delayed processing of visa applications.

The National Labor Relations Board (“NLRB”) has ceased case handling and only a handful of high-level NLRB officials are currently working during the shutdown.

In addition to increased workplace stress and reduced employee morale, nearly one-half of the SHRM survey respondents expected that the business would miss annual financial goals if the shutdown exceeded one week. Therefore, while much of the federal government remains on shutdown, human resources departments must address associated and unanticipated workplace challenges. It appears there is no rest for the weary.

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