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October 3, 2025

# The Federal Government Shutdown

To help our clients and other interested parties navigate the government shutdown, below is an update on operational status at selected federal agencies. Many are able to maintain some operations; however, this may change as the shutdown continues and if personnel reductions occur. If the shutdown extends, there may be delays in actions at many agencies even after they open due to developing backlog.

## Securities and Exchange Commission

Until further notice, the Securities and Exchange Commission (SEC) is operating with very limited staff and will generally respond only to emergency situations involving market integrity and investor protection issues. EDGAR, however, remains open to accept filings. SEC personnel will be able to process requests for EDGAR access codes and password resets and answer filing fee and other emergency questions regarding submissions via email ([CFEmergency@sec.gov](mailto:CFEmergency@sec.gov)), but will not respond to other queries or continue other operations.

As a result, the Division of Corporation Finance will be unable, for example, to review, or declare effective, registration statements, qualify Form 1-A offering statements, process no-action letter requests or give other interpretative advice. It is expected that registration statements or other filings that are in essence self-executing, may nonetheless be used. For example:

- WKSI issuers will continue to be able to make securities offerings as their registration statements are automatically effective upon filing.
- MJDS issuers will continue to be able to make securities offerings with registration statements that become automatically effective by rule without any order of the SEC.
- Companies may publish and mail their definitive proxy statements 10 days after the filing of a preliminary proxy statement (if any) during the shutdown as the staff is not expected to conduct any substantive review of such materials.
- Issuers that have already filed a registration statement may file an amendment to remove the delaying amendment and to add all information required by the related form, including pricing information (since Rule 430A is not available in the absence of a delaying amendment). The registration statement would then become effective in 20 days.
- Issuers that need to update their prospectuses in a post-effective amendment should not continue with their offerings because the staff will not be able to declare the amendment effective.

For more information, see the [Division of Corporation Finance's shutdown FAQs](#). Any tips or complaints should be submitted in accordance with the SEC's instructions at [tips, complaints, and referrals \(TCR\)](#).

The Division of Examinations will be unable to approve applications for registration by investment advisers (Form ADV), and the Division of Investment Management will be unable to review or declare effective registration statements by investment companies, provide interpretive advice regarding the Advisers Act, rules or forms, or consider applications for exemptive relief under the Advisers Act. As a result, new or pending investment adviser applications will not be processed. The IARD and EDGAR systems will continue to accept filings. The Division of Investment Management will follow the procedures set forth by the Division of Corporation Finance, as applicable, with regard to the acceleration of initial registration statements and other types of filings made by registered investment companies during the federal government shutdown. Those with an emergency

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who need to contact the Division of Investment Management should send an email to [IMemergency@sec.gov](mailto:IMemergency@sec.gov) or call 202-551-6720.

The Department of Examinations will perform emergency examinations and inspections to protect public and private property; those with an EXAMS-related emergency should contact the Staff at [EXAMSemergency@sec.gov](mailto:EXAMSemergency@sec.gov) or 202-551-EXAM.

In its shutdown plan (linked below), the SEC stated that, during the shutdown, it will not engage in ongoing litigation, except to handle emergency enforcement matters, including temporary restraining orders and/or investigative steps necessary to protect public and private property and handle ongoing litigation that cannot be deferred because there is a threat to property. Correspondingly, we expect much (but not all) of the staff's work on ongoing litigations and investigations to be suspended. With respect to investigations, the exceptions seem to be for cases involving particular time constraints, including expiring statutes of limitations. Detail on Enforcement/Litigation during the shutdown can be found on p. 14 of the SEC shutdown plan linked below.

Changes to this status will be posted on the SEC's website landing page at <https://www.sec.gov/>. For more information, see the [SEC's Operations Plan under a Lapse in Appropriations and Government Shutdown \(August 2025\)](#).

### Antitrust Merger Review at the Department of Justice and the Federal Trade Commission

Competition reviews of proposed mergers and acquisitions under the Hart-Scott-Rodino (HSR) Antitrust Improvements Act will continue at the Department of Justice, Antitrust Division (DOJ ATR) and the Federal Trade Commission (FTC), albeit with limited staff. Parties should consider HSR timing strategy for transactions with substantive antitrust risks.

FTC and DOJ ATR will continue to accept and process HSR filings; inquiries regarding HSR rules or filing procedures will not be answered.

Waiting periods will continue to run as normal and will expire as scheduled if DOJ ATR and FTC do not issue a request for additional information (*i.e.*, a Second Request). The agencies have not made clear whether early terminations of HSR waiting periods will be granted; parties should expect to observe the full waiting period of 30 calendar days (or 15 for certain all cash tender offer or bankruptcy transactions). While difficult to predict, there may be delays in the review of certain strategic transactions (including increased risk of a "pull and refile" scenario, or a higher likelihood of a Second Request being issued).

The DOJ ATR will continue to "prepare cases that must be filed due to statutory deadlines, but only when an extension or waiver cannot be obtained and ATR leadership determines that allowing a proposed merger to go forward without objection would pose a reasonable likelihood of peril to property in which the United States has an immediate interest." See the [U.S. Department of Justice FY 2026 Contingency Plan](#).

FTC will suspend non-merger investigations, except as necessary to prevent statutes of limitations from precluding remedies. Merger litigation will continue only if "suspensions of dates for trials, hearings and filings, or similar relief to preserve the government's claim are denied...to prevent the risk of immediate and substantial harm to the agency's claims for relief." See [Shutdown of Federal Trade Commission Operations Upon Failure of the Congress to Enact Appropriations Updated September 29, 2025](#).

### Committee on Foreign Investment in the United States and the U.S. Outbound Investment Program

Committee on Foreign Investment in the United States (CFIUS) reviews operate based on statutory timelines established by the Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA). Under FIRRMA, these timelines are tolled during any lapse in appropriations, such as a government shutdown. In practice, this means the following:

- For cases currently under formal review, the review period will be extended by the same number of days as the length of the shutdown (e.g., if the shutdown lasts for 10 days, all statutory deadlines for active reviews will be extended by 10 days).
- For filings that have been submitted but not yet "accepted" for formal review (e.g., a draft filing), the timelines associated with CFIUS's review and acceptance of draft filings is also tolled. Parties should therefore not expect that any new formal reviews will begin during the shutdown, and that timelines associated with CFIUS accepting filings for review will consequently be extended.

Note that the tolling of these deadlines does not necessarily obviate requirements that apply to parties, such as responding to question sets, national security agreement compliance requirements or mandatory filing requirements. With respect to mandatory filings in particular, despite the shutdown, CFIUS expects that parties to a transaction that is subject to mandatory filing should submit the complete filing at least 30 days prior to closing the relevant transaction. Parties can close transactions after 30 days of submitting a mandatory filing, even during a shutdown, but by doing so, parties would assume the risk of closing without a CFIUS safe harbor in place.

We recommend that transaction parties involved in a CFIUS process or considering a CFIUS filing during the shutdown carefully consider transaction timelines and options with respect to navigating CFIUS considerations during the shutdown to ensure that they comply with necessary filing requirements while also addressing the effects of timing uncertainty on their transactions.

In addition to CFIUS, parties should continue to comply with the requirements of the U.S. Outbound Investment Program which, like CFIUS, is managed by the U.S. Department of the Treasury. This program, which prohibits U.S. persons from engaging in certain investment activities involving covered foreign person (essentially, Chinese companies engaged in certain semiconductor, AI and quantum computing development activities) and requires notices to the U.S. government related to other covered investment activities, is not affected by the shutdown with respect to U.S. person's compliance obligations.

### Internal Revenue Service

The Internal Revenue Service (IRS) states that it will stay funded and keep about 75,000 employees working for the first five business days of the shutdown, but what happens after that is unclear. If the shutdown extends beyond five days and operations are curtailed, updates to forms, systems and regulatory projects—especially those needed to implement July's tax legislation—could be delayed, potentially affecting the 2025 filing season. The IRS could postpone the upcoming extended filing deadline (October 15, 2025, for the 2024 tax year for certain taxpayers), but in past shutdowns it has not. Taxpayers on extension for 2024 should be prepared to file by October 15, 2025 even if a shutdown is ongoing.

A shutdown could also slow hiring of hundreds of staff and delay postings for key roles like chief counsel, worsening staffing shortages, creating backlogs, and potentially impacting next year's filing season. In addition, an extended shutdown could have an impact on routine transactional matters, e.g., obtaining private letter rulings, tax-exemption filings and seeking other guidance from the IRS.

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This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Please refer to your Paul, Weiss [contact](#) with any questions related to the above.