



DEPUTY SECRETARY OF DEFENSE
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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DEPUTY CHIEF MANAGEMENT OFFICER
CHIEF, NATIONAL GUARD BUREAU
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DEFENSE
ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE
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ASSISTANT TO THE SECRETARY OF DEFENSE FOR PUBLIC
AFFAIRS
DIRECTOR OF NET ASSESSMENT
DIRECTOR, STRATEGIC CAPABILITIES OFFICE
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Guidance for Continuation of Operations During a Lapse of Appropriations

Appropriations provided under the Continuing Appropriations Act, 2018 (division D of Public Law 115-56), as amended, expire at 11:59 PM Eastern Standard Time on Thursday, February 8, 2018. The Administration does not want a lapse in appropriations, which would result in a government shutdown, to occur. The Administration is willing to work with the Congress to enact a short-term continuing resolution (CR) to fund critical Federal government operations and allow Congress the time to complete the full-year 2018 appropriations. The Secretary and I hope that the Congress will pass a CR or an annual appropriations bill for Defense activities during FY 2018. However, prudent management requires that the Department be prepared for the possibility of a lapse in appropriations.

This memorandum clarifies some of the guidance provided in my memorandum on the same subject dated January 18, 2018, in order to address issues that were highlighted as a result of the January lapse in appropriations. The attachment to this memorandum provides instructions for continuation of essential operations in the absence of appropriated funds. The Department will, of course, continue to prosecute the war in Afghanistan and ongoing operations against al-Qaeda and the Islamic State of Iraq and Syria, including preparation of forces for deployment into those conflicts. The Department must, as well, continue many other operations necessary for the safety of human life or the protection of property (a copy of military operations



necessary for national security will be supplied separately). These activities will be “excepted” from the effects of a lapse in appropriations: all other activities would need to be shut down in an orderly and deliberate fashion, including – with few exceptions – the cessation of temporary duty travel.

All military personnel performing active duty will continue in a normal duty status regardless of their affiliation with excepted or non-excepted activities. Military personnel will not be paid until such time as Congress makes appropriated funds available to compensate them for this period of service. Civilian personnel who are necessary to carry out or support excepted activities will also continue in normal duty status and also will not be paid until Congress makes appropriated funds available. Civilian employees paid from lapsed appropriations and who are not necessary to carry out or support excepted activities will be furloughed, i.e., placed in a non-work, non-pay status.

The responsibility for determining which activities meet the criteria for being excepted from shutdown resides with the Secretaries of the Military Departments and Heads of the DoD Components, including the combatant commanders with respect to activities undertaken by their immediate headquarters and subordinate joint headquarters, who may delegate this authority as they deem appropriate. Notwithstanding the foregoing, the Assistant Secretary of Defense for Special Operations/Low Intensity Conflict has the responsibility for determining which activities wholly funded by Major Force Program-11 are excepted from shutdown. The attached guidance should be used to assist in making this determination. The guidance does not identify every excepted activity, but rather provides overarching direction and general principles for making these determinations. It should be applied prudently in the context of a Department at war, with decisions guaranteeing our continued robust support for those engaged in that war, and providing assurance that the lives and property of our Nation’s citizens will be protected.

This memorandum contains guidance to begin detailed planning. No shutdown actions are to be taken until you receive further notice.

Within the Office of the Secretary of Defense, the Under Secretary of Defense (Comptroller) will take the lead in preparing for operations in the absence of appropriations, assisted by other offices as necessary.

To repeat, the Secretary and I hope that Congress will pass a funding bill and the DoD will avoid a shutdown. This guidance is intended to support prudent planning.

A handwritten signature in black ink, reading "Patrick M. Shanahan". The signature is written in a cursive, flowing style with a long horizontal line extending to the right.

Attachment:
As stated

cc:
Director for National Intelligence