

# GMS Flash Alert

## Immigration

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### United States – Government Partially Funded for FY2024, Potential Effects for Immigration

On March 8, 2024, the U.S. Senate and U.S. House of Representatives passed a \$460 billion package of six appropriations bills to partially fund the U.S. federal government through the end of the fiscal year on September 30, 2024.<sup>1</sup> The bill, H.R. 4366, was signed into law by President Joe Biden on March 9, 2024.<sup>2</sup> Congress has until March 22, 2024, to pass the six remaining appropriations bills, which include funding for the U.S. Department of Homeland Security (DHS), the U.S. Department of Labor (DOL), and the U.S. Department of State (DOS), to fully fund the government for the same timeframe.

#### WHY THIS MATTERS

All U.S. immigration-related programs under the DHS, DOL, and DOS are funded until March 22, 2024.<sup>3</sup>

To avoid a shutdown of the remaining 70 percent of U.S. government agencies and programs that are only funded until March 22, 2024, Congress must reach agreement on funding for a second appropriations bundle. Other federal agencies and programs with expiring funds include military, health, and education. Importantly, funding for the DHS, which oversees various immigration-related programs, is set to be a contentious political issue, especially in an election year. A shutdown would have significant impact on U.S. immigration.

#### Potential Consequences for Immigration If Government Is Partially Shut Down

The effects of a potential shutdown include:

- **DOL Operations:** All DOL immigration-related processes would be suspended if the government were to shut down. All Labor Condition Applications (LCAs), Prevailing Wage Requests (PWRs), and

Applications for Permanent Labor Certification (PERMs) would be put on hold. Notably, the FLAG system used to electronically file LCAs, PWRs, and PERMs would be offline during a shutdown.

- **U.S. Citizenship and Immigration Services (USCIS) Adjudications:** It is expected that USCIS will continue regular operations in the event of a government shutdown because the applications and petitions that the agency adjudicates are fee-based. However, any USCIS filings that require a DOL labor condition application or certification would be impacted, as these could not be filed until DOL operations resume.
- **Visa Processing:** DOS visa application processing is expected to be impacted if visa application fees used to fund consular processes dwindle to the point that they cannot cover operational costs. Depending on the length of a potential shutdown, visa processing could be impacted due to reduced consular staffing and/or limited hours of operation at certain consulates and embassies.
- **Customs and Border Protection (CBP) Operations:** CBP employees are considered “essential” government personnel. As such, enforcement of exit/entry border processes would continue during a shutdown, but it is expected that there would be limited availability of certain additional CBP services (e.g., I-94 corrections).
- **E-Verify:** The E-Verify system would not be available during a U.S. government shutdown, but employers would not be relieved of their obligations to complete Form I-9, *Employment Eligibility Verification*.

## KPMG INSIGHTS

While the partial funding of the federal government that recently passed is welcome news, U.S. lawmakers are facing a tight deadline to agree on funding for the remaining U.S. federal agencies, including immigration-related programs. Employers should be mindful of the possibility of a government shutdown affecting immigration operations after March 22, 2024, and should consult with their counsel to plan accordingly. KPMG Law LLP in Canada is tracking this matter closely. We will inform readers of *GMS Flash Alert* of important developments as they occur.

## FOOTNOTES:

1 See “[H.R. 4366: Consolidated Appropriations Act, 2024](#)” on the govtrack.us website. *(Please note that by clicking on this link, you are leaving the KPMG website for an external (non-KPMG, non-governmental) site, that KPMG is not affiliated with nor does KPMG endorse its content. Use of the external site and its content may be subject to the terms of use and/or privacy policies of its owner or operator.)*

For text of H.R. 4366, see the Congress.gov website by clicking [here](#).

2 See The White House, “[Press Release: Bill Signed: H.R. 4366](#).”

3 See The White House, “[Press Release: Bill Signed: H.R. 7463](#)” (March 1, 2024).

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*\* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.*

**The information contained in this newsletter was submitted by the KPMG International member firm in Canada.**

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