



October 1, 2025

LEGAL UPDATE AND NEWS

Federal Government Shutdown

The federal government's funding ran out on September 30, 2025, resulting in a shutdown beginning on October 1, 2025, which will continue until Congress passes and the President signs new appropriations legislation. Some federal agencies, including the Securities and Exchange Commission (the "SEC"), are affected while others, such as federal banking regulators, will continue without (or with minimal) interruption.

Uninterrupted Agencies

The following federal agencies will remain open during the government shutdown because their funding does not come from congressional appropriations:

- Consumer Financial Protection Bureau
- Federal Deposit Insurance Corporation
- Board of Governors of the Federal Reserve System
- Office of the Comptroller of the Currency
- National Credit Union Administration

Additionally, although state-run agencies and operations are not directly funded by the federal government, programs or projects that rely on federal funding, partnership, or guidance could be affected.

Small Business Administration Lending

The 7(a) and 504 loan programs of the Small Business Administration ("SBA") will be interrupted by the shutdown. A partial government shutdown in early 2019 led to a backlog of loans for the SBA to process.

Securities and Exchange Commission's Guidance on a Government Shutdown

Public companies, and companies seeking to go public, will need to adjust and plan for delays in dealings with the SEC. The following summary is based on the [SEC's Division of Corporation Finance's \(the "Division"\) September 30, 2025 guidance](#) and [Announcement Regarding Pending Registration Statements and Offering Statements on September 30, 2025](#) and the [SEC's Operations Plan Under a Lapse in Appropriations and Government Shutdown from August 7, 2025](#), which the SEC re-posted on its website on September 30, 2025.

During the shutdown, the Division's staff will not be able to review or respond to requests for written or oral guidance on legal and interpretive questions. This includes any written requests for no-action, interpretive, and exemptive letters relating to legal issues under the federal securities laws.

EDGAR and Filer Support

- EDGAR will be fully operational during the shutdown and filers will be able to electronically submit all their filings, including new registration and offering statements, as well as submit responses.
- Deadlines for filings will continue to apply, and days during the shutdown will still be considered "business days" for purposes of rules involving day counting.
- SEC personnel will be able to process requests for EDGAR access codes and password resets and answer questions about fee-bearing EDGAR filings and other emergency questions regarding EDGAR submissions.

Registration Statements and Securities Offerings

- During the shutdown, the Division will not be able to advise on, approve, grant, or declare effective any new or pending registration statements, applications for exemptive relief, accelerations, qualifications, or amendments, nor will it be able to issue comment letters or review responses to comments.
- Filers can continue offerings under Form S-3 registration statements because they are automatically effective upon filing.
 - Securities offered under shelf registration statements that are already in effect may continue to be offered through prospectus supplements, because prospectus supplements do not need to be declared effective by the Division.
 - During the shutdown, the SEC may issue a stop order under Section 8(d) of the Securities Act or take other emergency actions if necessary.

Proxy Statements

- The Division does not need to review a preliminary proxy statement before filing the definitive materials, but the Division may review it after the shutdown ends.
 - Applicable rules only require that the preliminary proxy statement be filed at least 10 calendar days prior to the date definitive copies are first sent or given to security holders.

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