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Federal Government Update - 10.10.25 [1]

October 10, 2025 by Riley Black [2]

Dear Colleagues,

Please find a federal government update from our teams.

Federal Government Shutdown
The U.S. Senate voted down dueling proposals to fund and reopen the federal government again this week. The Senate has thus far rejected motions to advance the measures seven different times. Most recently, Senators defeated the House-passed bill, H.R. 5371 [3], on a 54-45 vote [4] on Oct. 9 with the same three Democrats and one Independent, Sens. Catherine Cortez Masto (D-Nev.), Angus King (I-Maine) and John Fetterman (D-Pa.), breaking democratic party ranks to support the stopgap.

The House has been in recess since the start of the shutdown on Oct. 1, and Speaker Johnson said he will not call the House back until the shutdown ends. According to reports, there has been little communication between congressional leaders on ending the stalemate or extending Affordable Care Act premium tax credits, which expire Nov. 1 and remain at the heart of the impasse.

Roughly 750,000, or 31 percent, of the nation's more than 2 million federal workers are on furlough, reports [5] *CBS News*. That number is expected to grow as the shutdown continues. Many federal workers received partial pay checks today due to the shutdown, reports [6] *ABC News*. Active-duty military personnel will miss their paychecks beginning next week, on Oct. 15, if Congress fails to act.

In addition, the White House signaled this week that furloughed workers may not be entitled to back pay, reports [7] *Axios*. Reductions in force (RIFs) first telegraphed in a Sept. 24 memo [8] to federal agencies may also now be underway, according to a new post [9] on social media from the director of the White House Office of Management and Budget.

The longer the shutdown lasts, the more disruptive it is expected to be. CU Federal Relations is actively monitoring the situation and will provide timely updates and advocate for CU priorities as this uncertain situation unfolds.

Organizations File Lawsuit to Challenge H-1B Fee
A coalition of labor unions, health care providers and religious organizations filed a lawsuit on Oct. 3 challenging the federal administration's new $100,000 application fee for H-1B visas, which was unveiled via presidential proclamation [10] on Sept. 19. The lawsuit [11] alleges the policy is unlawful because it levies a tax to penalize "purported misuse" of the program rather than a fee "for use of the program." The plaintiffs note taxation is an authority granted to Congress and not the executive branch. The lawsuit also alleges the federal government

failed to follow notice-and-comment rulemaking to implement the fee, which went into effect Sept. 21, and failed to consider its adverse impact on hospitals, churches, schools, universities, small businesses and more. It previously cost employers between $2,000 and $5,000 per H-1B visa application, reports [12] the American Immigration Council.

Department of Education Resumes Student Loan Forgiveness

After being paused since July, the U.S. Department of Education resumed student loan forgiveness this week for borrowers enrolled in its Income-Based Repayment (IBR) plan, reports [13] the *Washington Post.* Around 2 million people nationwide are enrolled in the plan. The Department did not formally announce resumption of the program, presumably because its website is not being maintained during the government shutdown; however, several student loan servicers said they were alerted to student loans that had become eligible for discharge.

NIH Rescinds Previously Announced Research Security Policy

The National Institutes of Health rescinded [14] on Sept. 29 research security requirements previously announced [15] on Sept. 11. NIH said it will delay implementation of research security training (RST) requirements so that it can "harmonize" requirements with other federal agencies and establish a “centralized process” for recipients to certify security compliance. NIH said updated guidance and revised timelines for RST requirements will follow.

White House Considering Selling Federal Student Loan Debt

The U.S. Departments of Education and Treasury are considering selling portions of the $1.6 trillion in federal student loans owed by 45 million Americans, reports [16] *Politico.* Federal statute permits the sale of federal loans if there is no cost to taxpayers according to the reports. Prior to 2010, federal loans were held by private lenders but were insured by the federal government. CU is closely monitoring any developments or actions the federal administration may take regarding the sale of student loan debt.

Congress Confirms Education and Science Officials

The Senate voted on Oct. 7 to confirm 108 officials to various posts within the federal government on party-line vote of 51-46 [17]. Including key positions of interest to CU at the U.S. Department of Education, the Senate confirmed Kimberly Richy as Secretary for Civil Rights and David Baker as Assistant Secretary for Postsecondary Education. The Senate also confirmed Ned Mamula as director of the U.S. Geological Survey and Neil Jacobs as director of the National Oceanic and Atmospheric Administration.

MIT Declines White House Compact Invitation

MIT declined on Oct. 10 an invitation from the White House to join a new Compact for Academic Excellence in Higher Education [18], which promises universities priority access to federal funds in exchange for adhering to new restrictions related to admissions, hiring, finances, speech and more. MIT’s president explained the decision in a letter [19] to the MIT community entitled “Regarding the Compact.” MIT is the first university among the nine approached by the federal administration to publicly respond to the invitation.

The Federal Relations and General Counsel teams are actively monitoring developments at the federal level. We are working closely with the President and Chancellors, as well as the Colorado congressional delegation, to champion CU priorities. We are committed to keeping you informed. Please visit the CU System Federal Updates and Actions page [20] for up-to-date

communications and federal memos.

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