

Federal Government Update - 10.17.25 ^[1]

October 17, 2025 by [Riley Black](#) ^[2]

Dear Colleagues,

Please find a federal government update from our teams.

Federal Government Shutdown

The U.S. Senate voted 51-45 ^[3] on Oct. 16 not to advance House-passed legislation (H.R. 5371 ^[4]) to fund the federal government for the tenth time. No new Senators broke democratic party ranks to support the measure. The parties remain at an impasse on how to temporarily fund the government and whether to extend health insurance subsidies that expire Dec. 31.

Meanwhile, the Senate also began considering full-year 2026 spending legislation this week, starting with the House-passed Defense appropriations bill (H.R. 4016 ^[5]), which failed on a 50-44 procedural vote ^[6] on Oct. 16. A three-bill “minibus” package consisting of the Agriculture, Veterans Affairs and Legislative Branch appropriations bills is also being readied for possible Senate floor consideration. Congress must pass twelve spending bills each year either individually, in groups or as a single “omnibus” bill.

The U.S. House remains in an extended recess.

In the meantime, the White House used \$8 billion in unobligated research and development funds from the U.S. Department of Defense to pay military personnel on Oct. 15, reports ^[7] *Breaking Defense*. The White House also began implementing new reductions-in-force (RIFs) on Oct. 10 impacting an estimated 4,000 federal employees, including at the U.S. Departments of Education and Health and Human Services.

Judge Pauses Government Shutdown RIFs

A federal judge issued a temporary restraining order ^[8] (TRO) on Oct. 15 to halt reductions-in-force (RIFs) at federal agencies during the government shutdown. The TRO pauses the RIFs announced Oct. 10 and blocks any new RIFs, as well. The lawsuit was brought by the American Federation of Government Employees and the American Federation of State, County and Municipal Employees, among other groups.

The federal administration laid off ^[9] thousands of workers starting on Oct. 10, including nearly 500 employees at the U.S. Department of Education (ED) and upwards of 1,200 employees at the U.S. Department of Health and Human Services (HHS). The RIFs at ED disproportionately impact the Office of Postsecondary Education, including those who oversee TRIO and other programs within the Student Services division, reports ^[10] *Inside Higher Ed*. Meanwhile, hundreds of HHS employees from the Centers for Disease Control and Prevention (CDC) were rehired on Oct. 11 after being fired in error, reports ^[11] *The New York Times*.

The White House is expected to appeal against the injunction. The administration has succeeded in previous appeals, including a [U.S. Supreme Court decision](#) ^[12] that allowed federal agencies to implement RIFs while lawsuits challenging their legality are considered by lower courts.

Colorado Lawmakers Object to Cancelled Energy Projects

Colorado congressional lawmakers sent a [letter](#) ^[13] to the Secretary of Energy on Oct. 14 to object to 38 Colorado energy projects worth over \$600 million being suddenly [cancelled](#) ^[14] by the U.S. Department of Energy. One of the affected projects is from CU Boulder. A total of 223 projects valued at \$7.56 billion were cancelled nationwide.

Colorado lawmakers posed a series of questions to the Secretary to help them “better understand DOE’s decision-making process” as well as “support Colorado entities navigating the appeals process.” Award recipients have 30 days to appeal DOE’s termination decision. CU Government Relations has been working with federal and state lawmakers in support of CU Boulder’s canceled project and will continue to do so.

Brown, Penn, USC Decline White House Compact Invitation

This week, Brown University, the University of Pennsylvania and the University of Southern California declined the White House’s invitation to join a new [Compact for Academic Excellence in Higher Education](#) ^[15], which promises universities priority access to federal funds in exchange for adhering to new restrictions related to admissions, hiring, finances, speech and more. MIT previously declined. Their respective statements are available here: [Brown](#) ^[16], [Penn](#) ^[17], [USC](#) ^[18].

To date, four of the nine universities invited to join the Compact on Oct. 1 have declined. The Association of American Universities, which represents all nine of these institutions, issued the following [statement](#) ^[19]. A coalition of higher education associations, led by the American Council on Education, also released this joint [statement](#) ^[20] today. Former Senator and former Education Secretary under George H.W. Bush, Lamar Alexander penned an [op-ed](#) ^[21] on the proposal in the *Wall Street Journal* on Oct. 16.

The Compact invitation has now been extended to any institution of higher education. White House officials met with eight universities today to “gather input and feedback” on the proposal, [reports](#) ^[22] the *Wall Street Journal*. CU Leadership, General Counsel and Government Relations are reviewing the impact of the compact to CU’s mission, values and other key metrics, as well as how it relates to current state and federal law.

U.S. Chamber of Commerce Challenges H-1B Fee

The U.S Chamber of Commerce filed a lawsuit on Oct.16 challenging the new \$100,000 application fee for H-1B visas, which was unveiled via [presidential proclamation](#) ^[23] on Sept. 19. The Chamber’s lawsuit alleges the policy violates the *Immigration and Nationality Act*, [reports](#) ^[24] the *Washington Post*.

The Chamber’s lawsuit follows an Oct. 3 lawsuit filed by a group of labor unions, health care providers and religious organizations.

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](#) ^[25] for up-to-date communications and federal memos.

Danielle Radovich Piper, Sr. VP External Relations and Strategy
Kerry Tipper, Vice President, University Counsel

[Federal Updates](#) ^[26]

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[3] https://www.senate.gov/legislative/LIS/roll_call_votes/vote1191/vote_119_1_00573.htm

[4] <https://www.congress.gov/bill/119th-congress/house-bill/5371> [5] <https://www.congress.gov/bill/119th-congress/house-bill/4016>

[6] https://www.senate.gov/legislative/LIS/roll_call_votes/vote1191/vote_119_1_00575.htm

[7] <https://breakingdefense.com/2025/10/pentagon-military-pay-shutdown/>

[8] <https://nam02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fstorage.courtlistener.com%2Frecap%2Fgov.>

[9] <https://www.axios.com/2025/10/10/trump-federal-layoffs-treasury-education-health>

[10] <https://www.insidehighered.com/news/government/student-aid-policy/2025/10/15/trumps-latest-layoffs-gut-office-postsecondary-ed> [11] <https://www.nytimes.com/2025/10/11/health/cdc-layoffs-measles.html> [12] <https://www.politico.com/news/2025/07/14/supreme-court-education-department-ruling-00452134> [13] <https://www.bennet.senate.gov/wp-content/uploads/2025/10/CO-Delegation-DOE-Cancellations-Letter.pdf> [14] <https://www.energy.gov/articles/energy-department-announces-termination-223-projects-saving-over-75-billion> [15] <https://www.washingtonexaminer.com/wp-content/uploads/2025/10/Compact-for-Academic-Excellence-in-Higher-Education-10.1.pdf> [16] <https://www.brown.edu/sites/default/files/brown-response-federal-compact-10-15-2025.pdf> [17] <https://penntoday.upenn.edu/announcements/update-penns-response-compact-academic-excellence> [18] <https://we-are.usc.edu/2025/10/16/update-from-interim-president-kim/> [19] <https://www.aau.edu/newsroom/press-releases/statement-aau-president-administrations-higher-education-compact> [20] <https://www.acenet.edu/Documents/Statement-Compact-101725.pdf> [21] https://www.wsj.com/opinion/donald-trump-isnt-a-university-president-26c93f6b?gaa_at=eafs&gaa_n=AWETsqdb3wAVMQTcDsO2UfNlgKR8CDUo-M0pccz-O-TWLzWcF1DOdg6Dgnv3qx5Pog%3D%3D&gaa_ts=68f28a26&gaa_sig=1--ZKk838vSQTsTG8p1IHkk2lb4XxIO84-xYAAgsKY3K6cagBLAa4nyeAyfyTxuIF9Z7ASrHCQRmN5GZmniKbA%3D%3D

[22] https://www.wsj.com/us-news/education/trump-administration-meets-with-more-colleges-about-sweeping-compact-after-rejections-153bfca4?mod=hp_lead_pos10

[23] https://www.whitehouse.gov/presidential-actions/2025/09/restriction-on-entry-of-certain-nonimmigrant-workers/?utm_source=sfmc&utm_medium=email&utm_campaign=ap5&utm_content=ap5

[24] <https://www.washingtonpost.com/business/2025/10/16/trump-h1b-visa-chamber-of-commerce-lawsuit/>

[25] <https://www.cu.edu/office-government-relations/federal-relations/federal-updates-and-actions>

[26] <https://www.cu.edu/blog/government-relations/tag/federal-updates>