

The Virgin Islands Consortium

Deadlock Deepens as Democrats Reject GOP Pay Bill for Essential Workers Amid Shutdown Woes

With pay frozen for more than 700,000 federal workers, food banks report record demand and emergency credit lines are expanding. Many furloughed employees are now applying for short-term SNAP benefits as missed paychecks push them into financial crisis

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Volunteers distribute groceries to unpaid federal workers and their families during the government shutdown at a Washington, D.C. food bank in October 2025. By. NPR

Senate Democrats on Thursday blocked a Republican-led bill aimed at providing pay to essential federal workers and military personnel during the ongoing government

shutdown, extending the financial strain on hundreds of thousands of employees now facing their first missed paychecks.

The measure, known as the Shutdown Fairness Act of 2025 and sponsored by Sen. Ron Johnson (R-Wis.), failed on a 55-45 vote, falling short of the 60 needed to advance. It would have guaranteed compensation for "excepted" employees—those required to work without funding, including troops, TSA agents, air traffic controllers, and Capitol Police—while also establishing a permanent mechanism for future shutdowns. Democrats, who voted uniformly against it, argued the bill would grant excessive discretion to the Trump administration in determining eligibility, potentially allowing selective payments amid the fiscal impasse that began October 1.

The rejection came amid a flurry of partisan maneuvers, with Republicans objecting to two Democratic counterproposals introduced the same day. Sen. Chris Van Hollen (D-Md.) sought unanimous consent for his True Shutdown Fairness Act, which would pay all federal workers, including furloughed staff and contractors, and prohibit mass layoffs through reductions in force during lapses. Similarly, Sen. Gary Peters (D-Mich.) advanced the Military and Federal Employee Protection Act, offering one-time payments retroactive to October 1 for service members, civilians, and contractors up to the bill's enactment. Both efforts were thwarted by objections from Johnson and other Republicans, who deemed them overly broad and untimely. "With Democrats continuing the Schumer Shutdown, they should at least agree to pay all the federal employees that are forced to continue working," Johnson said in introducing his bill last week, framing it as a targeted relief without broader fiscal commitments.

The votes underscore the entrenched partisan divide fueling the shutdown's 23-day duration—the second-longest in U.S. history—stemming from Democrats' refusal to support a clean continuing resolution passed by the House on September 19, which would extend funding through November 21. Senate Democrats, led by Minority Leader Chuck Schumer (D-N.Y.), have conditioned their backing on negotiations for extending Affordable Care Act premium tax credits expiring December 31, subsidies that have capped costs for 24 million enrollees, per the Kaiser Family Foundation. Republicans, including Senate Majority Leader John Thune (R-S.D.), counter that such demands must wait until the government reopens, accusing Democrats of leveraging the crisis for policy wins. The Senate has now held 12 votes on the GOP funding bill, all failing along party lines, with no sessions scheduled until Monday, ensuring the standoff persists into a fourth week.

The human toll mounts as approximately 700,000 federal workers remain furloughed and another 300,000 continue unpaid duties, from national park rangers to Border Patrol agents. Employees are set to miss their October 15 paychecks in full this week, prompting food banks in the Washington area to report a 30% surge in demand and retailers like Walmart to offer emergency credit lines. A 2019 law mandates back pay upon resolution, but immediate relief remains elusive, with unions like the American Federation of Government Employees filing suits against ongoing layoffs at agencies such as the Environmental Protection Agency and Department of Education. In a statement, AFGE President Everett Kelley warned that "federal workers are not bargaining chips in a political standoff," highlighting risks of delayed services like veterans' benefits processing and IRS tax refunds.

President Donald Trump has prioritized military compensation amid the chaos, directing the Pentagon on October 11 to reallocate \$8 billion from unobligated fiscal year 2025 funds to cover October pay for 1.3 million active-duty personnel and select civilians. Defense Secretary Pete Hegseth confirmed the transfer's execution in an October 18 memo, drawing from research and development accounts under the National Defense Authorization Act's flexibility provisions. "We have identified funds to do this, and Secretary Hegseth will use them to PAY OUR TROOPS. I will not allow the Democrats to hold our Military, and the entire Security of our Nation, HOSTAGE, with their dangerous Government Shutdown," Trump posted on Truth Social. While the move secured one paycheck, officials caution it may not extend to November without further shifts, leaving reservists and National Guard members in limbo.

Economic projections from the Brookings Institution estimate \$1.5 billion in weekly losses from reduced productivity and consumer spending, with ripple effects hitting communities reliant on federal installations. Bipartisan calls for compromise grow, including from the National Association of Manufacturers urging a "shutdown insurance" fund for future crises, but leaders remain dug in.