How a government debt ceiling crisis could affect future travel

(Courtesy of Caroline Tanner, The Points Guy)

The U.S. government has just <u>reached its debt ceiling</u> for the first time since 2011.

Though lawmakers funded the federal government through the end of the fiscal year 2023 in December, they still borrow money to fund ongoing operations via a debt ceiling.

"The federal government is like any other person with a credit card in that it limits how much it can borrow to finance extra spending, known as the debt ceiling. That's essentially to ensure the government can still fund its legal obligations," <u>Sarah Foster, an economy reporter for Bankrate</u> (a publication owned by TPG's parent company, Red Ventures), explained. "But running the world's largest economy gives you special privileges because, unlike when you hit your credit line, Congress can continue committing to new spending."

"When this happens, the Treasury Department can take 'extraordinary measures' to move money around and ensure the nation doesn't default on its bills," Foster said. "But each day will be like a ticking clock — Treasury Secretary Janet Yellen estimates she'll have run out of tricks to help the government avoid default by early June. "

If this June default happens, the federal government might fail to extend funding for certain government programs, potentially affecting travel if you want to visit a national park, renew your passport or Global Entry membership and more.

Here's what you need to know — and what you can do now to minimize impacts to your plans — if this does come to pass.

Global Entry, TSA PreCheck and passport applications

Trusted Traveler programs, such as <u>TSA PreCheck</u> and <u>Global Entry</u>, are operated by U.S. Customs and Border Protection under the U.S. Department of Homeland Security. This means any pause in funding could curtail the ability to process applications.

Plus, the government is already facing a <u>pandemic-induced backlog of applications</u> and is currently warning of extended wait times.

We are currently receiving a high volume of applications.

Processing times vary by applicant, but on average you can expect your application to be processed as follows:

 Global Entry: 4-6 months
 NEXUS: 12-14 months
 SENTRI: 10-12 months
 FAST: 1-2 weeks

These are average times. Unfortunately, we cannot anticipate a date of completion for your specific application at this time.

All applicants should check the Trusted Traveler Program website (https://ttp.dhs.gov/) periodically for updates or status of their application.

Additionally, if you submit a renewal application before your membership expires, you will be able to continue to use benefits after your membership

Similarly, the U.S. Department of State is currently telling travelers that routine passport service can take six to nine weeks, with three to five weeks for expedited service.

expiration date. Please log into your TTP dashboard to submit a renewal application. We recommend that you print out a copy of your pending renewal

Potential funding issues aside, <u>we recommend applying for and renewing</u> your Trusted Traveler program memberships and U.S. passports as soon as they are eligible for renewal. The process can take time, and many countries will not allow you to enter with less than three months left on your passport — some even require <u>six months of validity remaining</u>.

Beyond application processing times, a government funding delay could result in a shortage of Transportation Security Administration agents at airports, potentially increasing wait times for TSA PreCheck lines at certain airports.

<u>During the 2018-2019 government shutdown</u> — which lasted 35 days and was the longest in history — flights were canceled due to staffing shortages among TSA agents and air traffic controllers. Additionally, <u>some airports closed TSA security lines</u>.

National parks

to show the Customs and Border Protection Officer, if requested.

As a federal agency under the U.S. Department of the Interior, <u>the U.S. National Park Service</u> is primarily funded by Congress.

If funding were to stall, <u>you could still enter some national parks</u>, and some roads, lookouts, trains and open-air memorials would likely still be accessible. Everything else — including essential services such as visitor centers, restrooms and educational programs within the park — is run by NPS staff and would therefore be affected.

Though visiting a park during this time technically would be free, a lack of staff would result in the park being less safe overall, thanks to the absence of park rangers to actively monitor the grounds without active search and rescue services.

Contracted hotel companies run hotels within parks, so in theory, these would remain open since they don't rely on NPS staff.

In the past, we've seen third parties intervene to help keep national parks open in the face of a government shutdown. Though a government shutdown is not on the line here, the same groups could potentially step in to avoid park closures.

For example, in 2018, then-Arizona Gov. Doug Ducey signed an order to keep the Grand Canyon open via state revenue funding.

"The park gates stayed open, but nobody was working the toll booths to collect the usual \$35 fee per car to get in the park," <u>per reporting by The Arizona Republic</u>.

Therefore, states and private entities, including volunteer groups, could act to keep national parks open.

Ultimately, the decision to keep parks open during a shutdown lies in the hands of the president in office at the time of the shutdown.

Washington monuments and museums

Federally funded monuments and museums in Washington, D.C., would also be at risk. This includes the 17 Smithsonian museums and galleries and National Zoo, plus the <u>NPS-run memorials</u>, such as the Lincoln Memorial and the National Mall, which are usually staffed by NPS rangers.

In the aforementioned government shutdown, the <u>Smithsonian used funds to remain open</u> through Jan. 1, 2019, leaving the park closed for 24 days.

Bottom line

Hopefully, there won't be government-related staffing shortages in 2023. However, with the looming potential of a reality where that happens, it's best to apply for or renew relevant government documents you may need to travel now.