# **HB1424 Favorable 2025.pdf**Uploaded by: Debi Jasen Position: FAV

#### Budget and Taxation Committee House Bill 1424 FAVORABLE

Honorable Chair, Vice Chair, and Members of the Budget and Taxation Committee;

Please give House Bill 1424, the Protect Our Federal Workers Act, a Favorable report. The atrocious behaviors of the Trump administration have put our state in a precarious economic position, in more ways than one. The sudden unemployment of federal employees is shameful, and it's up to us to help both the affected individuals and the local economies through the next four years. I think that House Bill 1424 is a good way to do that. Please vote for House Bill 1424. Thank you for your consideration.

Sincerely, Debi Jasen Pasadena, MD

### **B&T Testimony of Delegate Jazz Lewis on HB1424 Pro** Uploaded by: Delegate Jazz Lewis

Position: FAV





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### THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

#### Testimony of Delegate Jazz Lewis on HB1424 Protect Our Federal Workers Act

Members of the Budget and Taxation Committee,

Thomas Paine once said, "These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country." Paine wrote that in December 1776 to encourage American colonists to persevere in the fight for independence. Paine's words were meant to motivate the colonists to fight for victory. He believed that the harder the conflict, the greater the triumph. We are similarly in trying times, and I bring House Bill 1424 to encourage our residents in federal service to stay strong, to motivate them during these difficult times, and to let them know that their state will not shrink from the assignment in this hour, that we will have their back.

With that, I present House Bill 1424, the Protect Our Federal Workers Act. This legislation is designed to reaffirm Maryland's commitment to our indispensable federal employees, providing them with essential protections as they face potential job losses due to the current administration's destabilizing actions.

#### **Expansion of the Catastrophic Event Account**

House Bill 1424 proposes an expansion of the existing Catastrophic Event Account. This expansion would authorize the use of funds to address situations involving the closure, relocation, or mass layoff within federal government units. Specifically, the bill seeks to:

- **Rename** the Federal Government Shutdown Employee Assistance Loan Fund to the Federal Government Employee Assistance Loan Fund.
- Broaden the fund's purpose to offer interest-free loans to federal employees affected by unforeseen employment disruptions, not limited to government shutdowns.

We also are bringing an amendment to make this bill an emergency bill, to expand the authority of the Attorney General to take certain actions regarding the civil and criminal suits and actions based on the federal government action that threatens the public interest of the state, particularly in bringing cases in defense of Maryland residents in federal service, and we are making sure to include federal employees who have taken the deferred resignation buy out given all of the guidance indicating they will likely not be compensated.

#### The Urgency of Action

The current administration, led by Elon Musk and President Trump, has initiated significant downsizing efforts within federal agencies, leading to widespread uncertainty among federal workers. Maryland, home to approximately 142,876 federal employees—constituting about 4.6% of the state's total workforce—stands to be profoundly impacted by these actions<sup>1</sup>.

The potential loss of federal jobs severely threatens Maryland's economy. In federal fiscal year 2023, federal contract obligations for work performed in Maryland totaled \$42 billion, equating to about 10% of the state's private sector gross state product. A sudden reduction in federal employment could destabilize local economies and disrupt essential services relied upon by our residents<sup>2</sup>.

#### **Impact on Major Jurisdictions**

Federal employment is a cornerstone of Maryland's economic stability, particularly in our largest jurisdictions. For instance:

- **Montgomery County**: Home to the National Institutes of Health (NIH) and the Food and Drug Administration (FDA), employing thousands of residents.
- **Prince George's County**: Hosts the Internal Revenue Service (IRS) and the U.S. Census Bureau, significant federal employers in the area.
- Anne Arundel County: Fort Meade, a major military installation, contributes substantially to local employment.
- Baltimore City: The Social Security Administration (SSA) and the Centers for Medicare & Medicaid Services (CMS) are key federal employers.

<sup>&</sup>lt;sup>1</sup> Team, USAFACTS. "How many people work for the federal government?" *USAFact*s, 19 December 2024.

https://usafacts.org/articles/how-many-people-work-for-the-federal-government/. Accessed 21 February 2025.

<sup>&</sup>lt;sup>2</sup> Department of Legislative Services. "Fiscal Year 2026 Briefing." *Department of Legislative Services*, DLS, 2025, https://dls.maryland.gov/pubs/prod/operbgt/fiscal\_briefing\_2025.pdf. Accessed 21 February 2025.

• **Frederick County**: Fort Detrick serves as a critical hub for biomedical research and employs numerous residents.

The potential downsizing or relocation of these agencies would have a ripple effect, leading to job losses and economic downturns in these communities.

#### **Providing a Safety Net**

By expanding the eligibility criteria of the Federal Government Employee Assistance Loan Fund, House Bill 1424 aims to offer a critical safety net for federal employees facing involuntary job loss. These interest-free loans would supplement standard unemployment benefits, ensuring that affected workers can continue to meet their financial obligations during transitional periods. This support is vital not only for the well-being of the employees and their families but also for maintaining the economic stability of our communities.

#### Conclusion

Maryland's federal employees are integral to both our state's prosperity and the effective functioning of our nation's government. House Bill 1424, the Protect Our Federal Workers Act, is a necessary measure to support these dedicated public servants during times of unprecedented uncertainty. I urge the committee to issue a favorable report on this legislation, demonstrating Maryland's steadfast commitment to those who serve our state and country.

Thank you for your consideration.

For these reasons, I ask for a favorable report.

## HB 1424 - Catastrophic Event Account, Federal Gove Uploaded by: Donna Edwards

Position: FAV



#### MARYLAND STATE & D.C. AFL-CIO

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Donna S. Edwards

Secretary-Treasurer Gerald W. Jackson

HB 1424 - Catastrophic Event Account, Federal Government Shutdown Employee Assistance Loan Fund, and Powers of the Attorney General - Alterations Senate Budget and Taxation Committee March 27, 2025

#### **SUPPORT**

Donna S. Edwards
President
Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to provide testimony in support of HB 1424 as currently written. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 300,000 union members in the state of Maryland, I offer the following comments.

Federal workers often face job instability due to reasons out of their control and our complex governmental system. Because of this, they may face financial hardship due to a loss of or delay in income. HB 1424 takes critical steps in protecting the individuals in our state who dedicate their careers to federal service. In addition to providing much-needed assistance to workers, we applaud expanding the Attorney General's authority in taking legal action to protect residents and allocating funds to carry out these duties.

Maryland is home to nearly 225,000 federal workers who work directly or indirectly for the federal government and play a key role in our everyday lives. They are engineers, customs officers, trades professionals, researchers, HR specialists, and more. Thousands of hard-working employees serve our communities with vital services, but thousands have already lost their jobs, with hundreds of thousands more facing impending job loss. This legislation proposes a number of measures to mitigate the impending challenges that lie ahead for these individuals including:

• Allowing the Catastrophic Event Account to cover former Maryland residents impacted by closure, relocation or mass layoff of a unit of the Federal Government.

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<sup>&</sup>lt;sup>1</sup> Dorn, Sarah and Bohannon, Molly, "Here's Where Trump's Government Layoffs Are Targeted–As Pentagon Reportedly Plans 60,000 Job Cuts." Forbes. March 2025.

- Expanding the Federal Government Assistance Loan Fund to apply to federal government employees and employees working in federal units who have been terminated because of closure, relocation, or mass layoff.
- Permitting the Department of Labor to forgive a loan from the Fund.
- Expanding the Attorney General's authority in taking legal action to protect residents from federal inaction or harm resulting in failure to be paid or job displacement or loss. Additionally, this legislation allocates necessary funding to the Office to carry out these duties.

Federal workers maintain public safety, deliver essential services, and support daily functions of government that we all rely on. As they continue to face unpredictable hardship, HB 1424 ensures our federal workforce is protected and supported during these uncertain times.

For these reasons, we urge a favorable vote on HB 1424 as currently written.

### **2025\_03\_27 HB 1424 Support with Amendments.pdf** Uploaded by: Tiffany Clark

Position: FWA

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#### STATE OF MARYLAND OFFICE OF THE ATTORNEY GENERAL

**ANTHONY G. BROWN** 

OFFICE OF THE SOLICITOR GENERAL

Attorney General

March 25, 2025

TO: The Honorable Guy Guzzone

Chair, Budget and Taxation Committee

FROM: Tiffany Clark

Director, Legislative Affairs, Office of the Attorney General

RE: House Bill 1424 – Catastrophic Event Account, Federal Government

Shutdown Employee Assistance Loan Fund, and Powers of the Attorney General - Alterations (Protect Our Federal Workers Act) – **Support with** 

**Amendments** 

The Office of the Attorney General (OAG) supports **House Bill 1424** - Catastrophic Event Account, Federal Government Shutdown Employee Assistance Loan Fund, and Powers of the Attorney General - Alterations (Protect Our Federal Workers Act) with amendments. **House Bill 1424** expands the purposes of the Catastrophic Event Account and the Federal Government Shutdown Employee Assistance Loan Fund. The bill also expands the Attorney General's powers under the Maryland Defense Act and increases a mandated appropriation to the OAG to at least \$2.5 million, with \$1.5 million authorized to be transferred to OAG from the Rainy Day Fund in fiscal 2025.

If the Committee decides to pass House Bill 1424, OAG requests that the bill be amended to specifically provide for the additional appropriation to the OAG be in general funds.

For these reasons, the OAG urges the Budget and Taxation Committee to issue a favorable with amendments report on **House Bill 1424**.

#### **OAG Amendments to House Bill 1424**

On page 8, in line 19, after "\$2,500,000" insert "IN GENERAL FUNDS".