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MAJORITY WHIP

Appropriations Committee



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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 Appropriations Committee,

Thank you for the opportunity to 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.

### 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.
- 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

<sup>&</sup>lt;sup>1</sup> Team, USAFACTS. "How many people work for the federal government?" *USAFacts*, 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.

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.