# CHANGES TO THE FEDERAL WORKFORCE AND IMPACTS TO THE REGION

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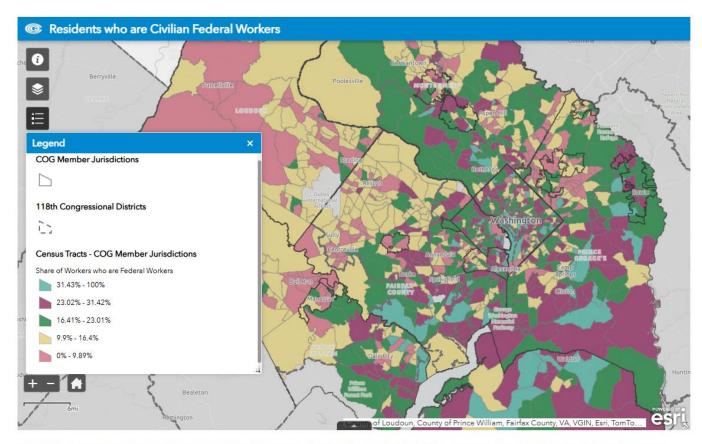


### Federal Workforce Resources and Data

#### Web page:

mwcog.org/federalworkforce

- Local/state government resources websites
- Employment events/ job fairs
- Data dashboard on federal workers and jobs as well as regional economic indicators

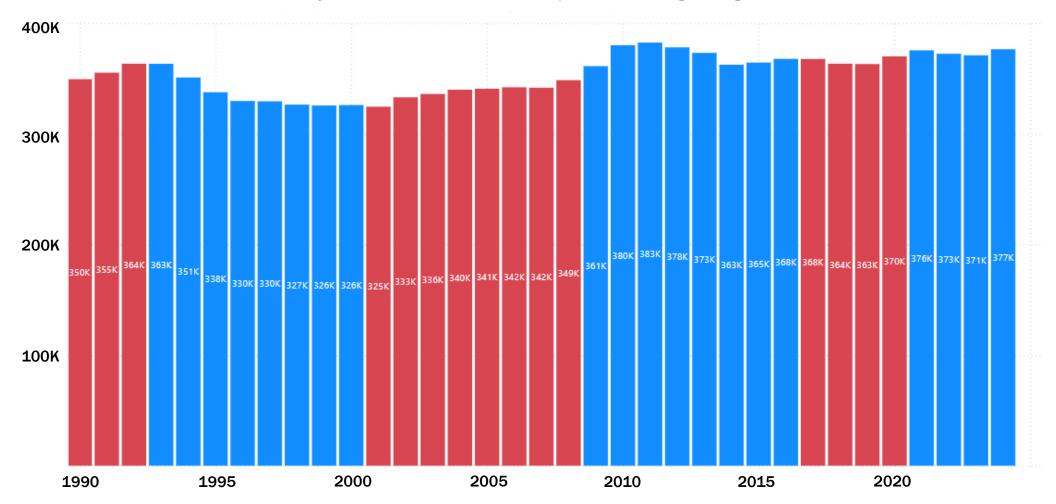


Source: U.S. Census Bureau, "Class of Worker by Sex for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over," American Community Survey 5-Year Estimates, 2023, Table S2409



#### Decades of Stability: Historical Employment Levels of the Federal Government

Federal jobs located in the COG metropolitan Washington region



Source: BLS, Current Employment Statistics. Not seasonally adjusted, 2023.



# **Understanding the Potential Impact: DC - MD - VA**

- Most often cited numbers underestimate the full impact of major changes to the federal workforce across the region.
  - The U.S. Census American Community
     Survey shows where
     federal employees live
     in the region vs. where
     they work.









# Federal Government Workers by Place of Residence

Source: U.S. Census Bureau, "Class of Worker by Sex for the Full-Time, Year-Round Civilian Employed Population 16 Years and Over," American Community Survey 5-Year Estimates, 2023, Table S2409.

JURISDICTIONS	RESIDENTS WHO ARE FEDERAL GOVT. EMPLOYEES (FULL-TIME, YEAR- ROUND CIVILIAN WORKERS)	RESIDENTS WHO ARE EMPLOYED (FULL-TIME, YEAR- ROUND CIVILIAN WORKERS)	SHARE OF EMPLOYED RESIDENTS WHO ARE FEDERAL WORKERS
District of Columbia	63,072	289,685	21.8%
Maryland (COG Region only)	163,818	964,020	17.0%
Virginia (COG Region only)	172,499	1,058,418	16.3%
COG Region	399,389	2,312,123	17.3%
District of Columbia	63,072	289,685	21.8%
Maryland (Statewide)	302,663	2,334,809	13.0%
Virginia (Statewide)	321,516	3,147,719	10.2%
Total DC MD VA (Statewide)	687,251	5,772,213	11.9%



# Reduction in Force: Unemployment Scenarios

#### **Urban Institute**

 Scenario showing up to 75% reduction in the federal workforce for DC MSA would lead to 9.6% unemployment rate.

#### **UVA Weldon Cooper Center**

• 10% reduction in the federal workforce would result in 40K Virginia jobs lost, offsetting initial forecast of 40K jobs to be added for 2025.



## **Additional Issues**

- Medicaid: Trigger law
- SNAP benefits
- Federal real estate portfolio
- Restaurant industry
- Population growth/immigration



# **Bracing for Budgetary Impacts**

- <u>Maryland</u>: Senate President Bill Ferguson said the state could need to make as much as \$1.5 billion in additional spending cuts beyond the \$2 billion in cuts proposed by Governor Moore. (Washington Post, February 7) More recently, \$280 million has been cut from the state's revenue projections. (Maryland Matters, March 7)
- <u>Virginia</u>: House of Delegates established an Emergency Committee on the Impacts of Federal Workforce and Funding Reductions. Senate has also established an emergency committee.
- <u>DC</u>: Chief Financial Officer Glen Lee has projected that D.C. could lose 40,000 federal jobs over the next several years a reduction of 21 percent. In turn, Lee has revised revenue projections downward by an average of \$342 million annually over the next three years totaling more than \$1 billion. (Washington Post, March 3)



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