

# CHANGES TO THE FEDERAL WORKFORCE AND IMPACTS TO THE REGION

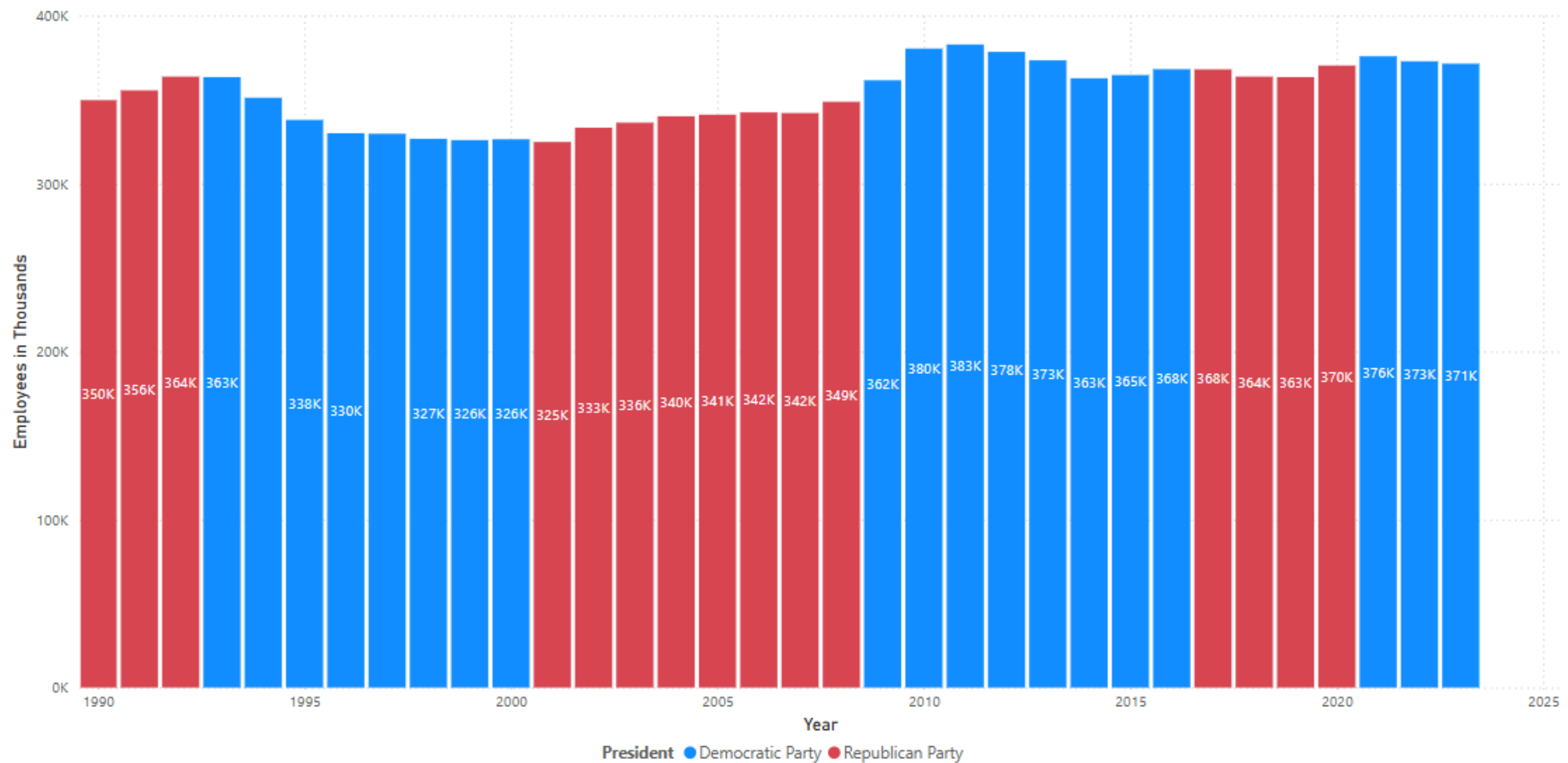
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Clark Mercer  
COG Executive Director

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

# Census Tract-Level Impacts

Federal government workers by place of residence – Top ten Census tracts in the region

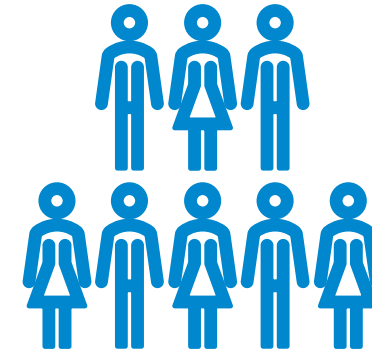
| Census Tract                                   | Name                          | Federal Workers | Share of Total Workforce |
|--|-------------------------------|-----------------|--------------------------|
| Census Tract 8509.04; Charles County           | Waldorf, MD                   | 1,763           | 29%                      |
| Census Tract 8507.13; Charles County           | Bensville, MD                 | 1,419           | 32%                      |
| Census Tract 8006.08; Prince George's County   | Upper Marlboro/Brock Hall, MD | 1,395           | 38%                      |
| Census Tract 8007.01; Prince George's County   | Brown Station/Westphalia, MD  | 1,187           | 27%                      |
| Census Tract 8005.14; Prince George's County   | Bowie/Fairwood, MD            | 1,165           | 35%                      |
| Census Tract 8507.10; Charles County           | Waldorf, MD                   | 1,135           | 42%                      |
| Census Tract 72.02; District of Columbia       | South Capitol St SE/Navy Yard | 1,117           | 27%                      |
| Census Tract 4211.01; Fairfax County           | Franconia, VA                 | 1,117           | 38%                      |
| Census Tract 8013.11; Prince George's County   | Accokeek/Clinton, MD          | 1,036           | 30%                      |
| Census Tract 4222.02; Fairfax County; Virginia | Lorton, VA                    | 1,004           | 36%                      |

Source: U.S. Census Bureau, 2023 American Community Survey (ACS) 5-Year Estimates

# Reduction in Force: Impacts to Date

- Three scenarios of reduction:
  - Probationary employees
  - Buyouts
  - Formal reductions in force
- “Upon expiration of the Day 1 hiring freeze and implementation of the hiring plan, agencies will be able to hire no more than one employee for every four employees that depart from federal service”

Source: Executive Order: Implementing the President’s “Department of Government Efficiency” workforce optimization initiative



— **295,000**  
employees  
to date

- 220,000 estimated probationary employees
- 75,000 buyouts accepted
- ??? reductions in force



# Reduction in Force: Unemployment Scenario

| Metro Area                                   | Baseline | After 75% Reduction in federal workforce |
|--|----------|--|
| Washington-Arlington-Alexandria, DC-VA-MD-WV | 2.8%     | 9.6%                                     |

Source: Urban Institute using matched US Bureau of Labor Statistics and Office of Personnel Management data.



# Bracing for Budgetary Impacts

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- Maryland: 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)
- Virginia: House of Delegates established an Emergency Committee on the Impacts of Federal Workforce and Funding Reductions. Senate has also established an emergency committee.
- DC: 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)



## Clark Mercer

COG Executive Director  
cmercercog.org

[mwcog.org](http://mwcog.org)

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777 North Capitol Street NE, Suite 300  
Washington, DC 20002



Metropolitan Washington  
**Council of Governments**