



## MONTGOMERY COUNTY OFFICE OF RACIAL EQUITY & SOCIAL JUSTICE

### REIA #26-8

### Hiring Displaced Federal Workers

Requesting Agency/Department(s)	Dollar Amount
Human Resources	\$180,000
Funding Source	County Match Amount
General Fund Undesignated Reserves	N/A

### Finding

The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #26-8 Hiring Displaced Federal Workers neither advances nor impedes racial equity and social justice in Montgomery County, as the funding involved in this request is related to the Office of Human Resources' administration of Bill 10-25E and addressing anticipated increases in application volumes during the initiative. In this REIA, ORESJ provided data to illustrate potential increases in applications, using Unemployment Compensation for Federal Employees (or UCFE) claims data. Anticipated racial equity impacts of the bill have been analyzed by the Office of Legislative Oversight in its April Racial Equity and Social Justice Impact Statement (RESJIS).

### Background

#### Purpose

The purpose of Supplemental Appropriation #26-8 Hiring Displaced Federal Workers is to help operationalize County Bill 10-25E Hiring Displaced Federal Workers by enabling the Office of Human Resources to temporarily increase its capacity to implement the bill's requirements. Funds will be used to "secure two full-time contractors to perform tasks such as document verifications, candidate contacts, eligible list creations, and screening interviews, as well as cover the anticipated increase in staff overtime to meet the increased application volume during this initiative"<sup>1</sup>.

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#### **Additional Background Information**

The public comment period for executive regulations, “Recruitment and Application Rating Procedures—Amendment”, related to the administration of Bill 10-25E, ended on September 15, 2025<sup>2</sup>. No public comments were received<sup>3</sup>. The effective date of the hiring initiative was October 10, 2025<sup>4</sup>; the sunset date is July 2, 2027<sup>5</sup>.

In April 2025, the Office of Legislative Oversight conducted a Racial Equity and Social Justice Impact Statement (RESJIS) on Expedited Bill 10-25: Personnel and Human Resources – Hiring Displaced Federal Workers<sup>6</sup>. In that RESJIS OLO provided foundational information for understanding the history of federal employment and racial equity, as well as key statistics about anticipated beneficiaries and impacts. We refer reviewers of this REIA to the RESJIS of Expedited Bill 10-25<sup>7</sup> for additional historical context pertinent to the subject of this REIA.

Based on its analysis, OLO anticipated that Bill 10-25 “will have a minimal impact on racial equity and social justice (RESJ) in the County. Black community members could disproportionately benefit from a hiring preference for displaced federal workers given their strong representation in the federal workforce. However, this benefit could be offset by the disadvantage of the hiring preference to community members who are not displaced federal workers, especially younger workers, who are more likely to be Black and Latinx.”<sup>8</sup>

The data and analysis regarding the demographic profile of potential beneficiaries and others impacted by the hiring preference has not significantly changed since April 2025. This is in large part due to the limited availability of race and ethnicity data on the federal workforce that is more recent than what OLO reported in April (which was from 2023). In addition, tracking job losses and the range of current federal personnel actions is complicated and fraught with the complexities of different termination scenarios, separation incentives, and legal actions undertaken to reverse a range of firings. In the preparation of this REIA, ORESJ found information from a 2025 Pew Research article that uses 2024 data to make the following observation, “racially and ethnically, the federal workforce largely mirrors the overall civilian workforce, with two notable exceptions: A bigger share of federal workers are Black (18.6% vs. 12.8%), and a smaller share are Hispanic or Latino (10.5% vs. 19.5%).”<sup>9</sup> This observation aligns with data reported by OLO. ORESJ also found an article from April 2025 by The Economic Policy Institute that showed 27.9% of Maryland’s total federal government workforce consists of Black workers, 18.2% of whom are veterans. This compares to the overall representation of Black workers in the federal government, which is 18%<sup>10</sup>.

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To complement this information and OLO's existing research, ORESJ offers the following data on the *potential* volume of displaced federal workers who may be eligible for the hiring preference in Montgomery County.

## Analysis

### ORESJ Research & Analysis

#### *National*

According to the Partnership for Public Service, a range of Trump Administration personnel actions have resulted in over 211,000 civil servants across the United States leaving the federal government workforce<sup>11</sup>. The Department of Defense, the Department of the Treasury, and the Department of Agriculture are the sites of the largest workforce reductions, each with more than 20,000 personnel reductions. According to the Maryland Department of Labor, federal government job losses across the United States since January 2025 are estimated to be 97,000.

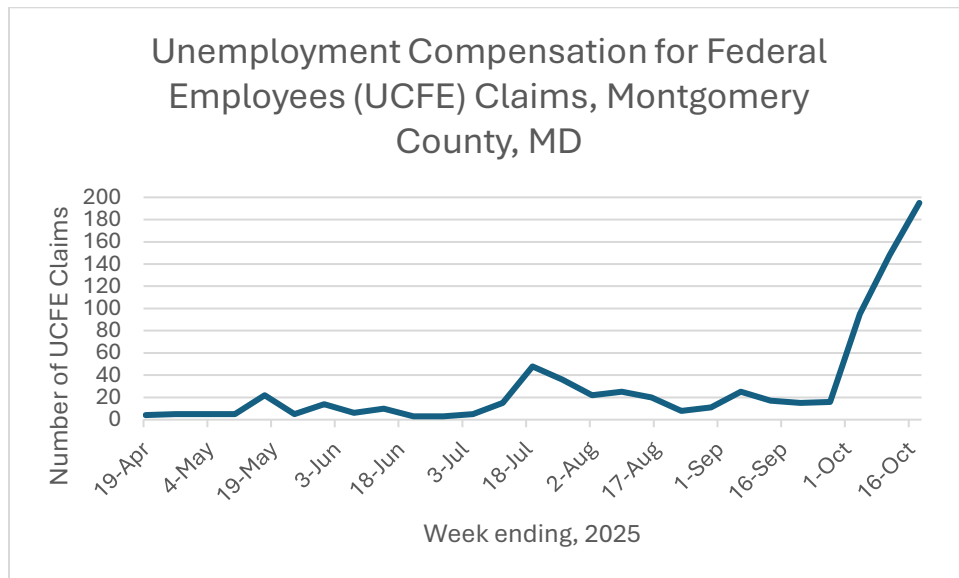
#### *Maryland*

In Maryland, federal job losses are estimated to be about 15,100 jobs<sup>12</sup>. It is estimated that in 2023, 269,000 Maryland residents were employed by the federal government<sup>13</sup>, including 55,973 Montgomery County residents who received income from federal government employment<sup>14</sup>. Between January 19 and October 18, 2025, it is estimated that a total of 5,705 Maryland residents, who are federal workers, made an initial unemployment insurance claim called "Unemployment Compensation for Federal Employees, or UCFE"<sup>15</sup>. During the seven-day period ending October 18, Maryland residents filed 1,357 initial UCFE claims<sup>16</sup>. This is more than ten times the average weekly initial UCFE claims in 2024. 1,957 Maryland residents made continuing UCFE claims for the week ending October 18, 2025<sup>17</sup>.

#### *Montgomery County*

In Montgomery County, the number of initial UCFE claims was 195 for the week ending October 18, accounting for more than 70% of the unemployment insurance claims for that week<sup>18</sup>. For context, between April 19<sup>th</sup> and October 18<sup>th</sup>, the total number of initial UCFE claims in Montgomery County was 783<sup>19</sup>. The graph below illustrates the recent increases in UCFE claims.

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**Source:** Author’s visualization of initial UCFE claims data for Montgomery County, MD. In 2025, UCFE data was first reported for the week ending April 19. Underlying data is available:

<https://labor.maryland.gov/unemployment-insurance/data/initial-claims-by-county.shtml>

Notably, those filing unemployment insurance claims are a subset of the entire population of impacted federal employees, and not all those filing claims are eligible for the displaced federal government hiring preference. This is because these estimates may include furloughed workers (and other circumstances that may result in claims being withdrawn or referred to other jurisdictions). Also, given the range of reduction actions, not all impacted federal workers may be fully separated from their federal government position, thus making them ineligible for the preference<sup>20</sup>. In addition, the data ORESJ was able to access was not disaggregated by race and ethnicity; therefore, gaining a more granular insight about racial equity impacts is challenged.

Much remains to be seen about the eventual outcomes associated with the displaced federal workers hiring preference. That said, providing OHR with additional capacity to implement the requirements of the Bill will help to prevent delays in the administration of this new initiative as well as other ongoing OHR hiring initiatives.

### Caveats

This REIA has been conducted with the best available information at the time of writing, including department responses to the Racial Equity and Social Justice template and research conducted by ORESJ Policy Team Analysts. While the assessment examines specific racial equity and social justice impacts of the funding request, it cannot fully address all systemic inequities that affect the communities in question, nor do we seek to examine impacts outside

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the scope of the funding request. We recommend using this assessment as a starting point for discussions about the program's impact on advancing racial equity and social justice in Montgomery County.

## References

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- <sup>1</sup> Memo from Marc Elrich, County Executive to Kate Stewart, Council President. October 7, 2025.
- <sup>2</sup> Resolution to approve Executive Regulation #24-25, Amendment to the Montgomery County Personnel Regulations - Recruitment and Application Rating Procedures. October 7, 2025 Available at: [https://montgomerycountymd.granicus.com/MetaViewer.php?view\\_id=169&event\\_id=16603&meta\\_id=204222](https://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=16603&meta_id=204222)
- <sup>3</sup> Resolution to approve Executive Regulation #24-25, Amendment to the Montgomery County Personnel Regulations - Recruitment and Application Rating Procedures  
[https://montgomerycountymd.granicus.com/MetaViewer.php?view\\_id=169&event\\_id=16603&meta\\_id=204222](https://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=16603&meta_id=204222)
- <sup>4</sup> Montgomery County, Maryland Office of Human Resources. Hiring Displaced Federal Workers. Available at: <https://www.montgomerycountymd.gov/hr/recruitment/federal-workers.html>
- <sup>5</sup> Expedited Bill 10-25, Personnel and Human Resources – Hiring Displaced Federal Workers  
Lead Sponsor: Council Vice-President Jawando. Co-Sponsors: Councilmembers Friedson, Mink, Sayles, Balcombe, and Council President Stewart. July 15, 2025. Available at: [https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2863\\_1\\_26280\\_Bill\\_10-25E\\_Action\\_20250715.pdf](https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2863_1_26280_Bill_10-25E_Action_20250715.pdf)
- <sup>6</sup> Montgomery County, MD Office of Legislative Oversight. Racial Equity and Social Justice Impact Statement. Expedited Bill 10-25 Personnel and Human Resources – Hiring Displaced Federal Workers. April 8, 2025. Available at: <https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2025/Bill10-25.pdf>
- <sup>7</sup> RESJIS of Racial Equity and Social Justice Impact Statement. Expedited Bill 10-25 Personnel and Human Resources – Hiring Displaced Federal Workers.  
<https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2025/Bill10-25.pdf>
- <sup>8</sup> RESJIS of Racial Equity and Social Justice Impact Statement. Expedited Bill 10-25 Personnel and Human Resources – Hiring Displaced Federal Workers.
- <sup>9</sup> Drew Desilver. Pew Research Center. “What data says about federal workers”. January 7, 2025. Available at: <https://www.pewresearch.org/short-reads/2025/01/07/what-the-data-says-about-federal-workers/#are-most-federal-workers-in-the-washington-d-c-area>
- <sup>10</sup> Valerie Wilson. Economic Policy Institute. “Black federal workers by state”. Fact Sheet. April 9, 2025. Available at: <https://www.epi.org/publication/black-federal-workers-by-state/>
- <sup>11</sup> The Partnership for Public Service. “Federal Harms Tracker: The Cost to Your Government”. Available at: <https://ourpublicservice.org/federal-harms-tracker/cost-to-your-government/>
- <sup>12</sup> Maryland Department of Labor. “Federal Workforce Across the U.S. by Place of Employment, Change Over Time”. Available at: <https://labor.maryland.gov/lmi/federalworkforce/>
- <sup>13</sup> Maryland Department of Labor. “Fast Facts: Maryland’s Federal Workforce”. Available at: <https://labor.maryland.gov/federalworkers/uifastfacts-marylandsfederalworkforce.pdf>
- <sup>14</sup> “Fast Facts: Maryland’s Federal Workforce”.
- <sup>15</sup> Maryland Department of Labor. “How Federal Actions are Impacting Maryland Employment: High Frequency Indicators”. Last Updated October 23, 2025. Available at: <https://labor.maryland.gov/unemployment-insurance/data/pdf/ui-federalactionsimpactmdemployment-hifreqindicators-10-23-25.pdf>
- <sup>16</sup> “How Federal Actions are Impacting Maryland Employment: High Frequency Indicators”.

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<sup>17</sup> <https://labor.maryland.gov/unemployment-insurance/data/pdf/ui-federalactionsimpactmdemployment-hifreqindicators-10-23-25.pdf> “How Federal Actions are Impacting Maryland Employment: High Frequency Indicators”.

<sup>18</sup> Maryland Department of Labor. Initial Unemployment Insurance Claims by County. Available at: <https://labor.maryland.gov/unemployment-insurance/data/initial-claims-by-county.shtml>

<sup>19</sup> Authors calculation of summative Montgomery County initial UCFE claims data from April 19-October 18, 2025. <https://labor.maryland.gov/unemployment-insurance/data/initial-claims-by-county.shtml>

<sup>20</sup> Montgomery County, Maryland Office of Human Resources. Hiring Displaced Federal Workers.