



DOGE'S MASS FIRINGS RESULT IN GUTTED SERVICES AND HIGHER COSTS

March 28, 2025

EXECUTIVE SUMMARY

President Trump and Elon Musk are slashing essential services that millions of Americans depend on through mass firings of government employees. Through the [so-called Department of Government Efficiency \(DOGE\)](#), they have illegally fired tens of thousands of employees through prohibited personnel actions.

These cuts threaten services that Americans rely upon, such as the delivery of Social Security benefits, access to classrooms for students with disabilities, and help processing tax refunds. Additionally, these cuts to the federal workforce will likely make the deficit worse, not better, thanks to decreased oversight and increased tax dodging.

Impacts of Mass Firings

The Trump Administration fired [tens of thousands](#) of federal employees by mid-March. Cuts have happened at the [Department of Health and Human Services](#), the [Department of Education](#), and the [General Services Administration](#), among others. The majority of those initially fired appear to be probationary employees. These include employees hired within the last one to two years, as well as some career employees who were recently promoted or who transferred to other agencies. Despite their probationary status, some employees had years of federal experience, and others provided highly specialized services like reviewing complex tax returns to recoup legally owed taxes from wealthy tax evaders.

Agencies have announced additional plans to fire [thousands more employees](#). For instance, the Department of Veterans Affairs, where more than one in four employees is a veteran, will abandon America's pact with our soldiers by [cutting 80,000 positions](#).

These workforce cuts are so large that the only way they can be implemented is through cuts to essential services. For example, the Social Security Administration is planning to reduce its employees by approximately 12 percent. Paired with [other proposed changes](#) at the agency, this will result in longer call wait times and delays in processing claims and benefits. Vulnerable populations like the elderly and disabled will be especially impacted by these changes in staffing and services.

In addition to decreasing the quality of service for Americans, Trump and Musk's gutting of the civil service will result in higher costs for the country. Trump is cutting employees whose entire job is to root out waste, fraud, and abuse. For example, Trump fired the Inspectors General at 17 agencies during his first week in office in January 2025. Additionally, 80 Centers for Medicare & Medicaid Services employees were fired from the Center for Consumer Information and Insurance Oversight, which sets and enforces health insurance standards to keep healthcare affordable for Americans. At the Department of Education, the Trump Administration has [fired every attorney](#) responsible for ensuring that states and school districts compliantly use funds intended to support students with disabilities and those living in poverty.

Cuts to the expertise at the IRS will benefit wealthy tax cheats and Republicans' billionaire donors. Reduced staffing results in fewer enforcement actions by the IRS and smaller revenue collections. For example, some Treasury and IRS officials predict that tax receipts by April 15, 2025, could be [10 percent lower](#) than in 2024 because of these cuts. Additionally, CBO [estimates](#) that for every \$1 reduction in spending at the IRS, the government loses out on about \$3.25 revenue to tax cheats. CBO also estimates that each successive cut results in progressively larger reductions in revenues, meaning the actual amount of lost revenue is likely to be higher. For instance, the [Yale Budget Lab estimates](#) that DOGE's IRS cuts could lead to a \$2.4 trillion loss in revenue over 10 years due to increased tax cheating by the wealthy.

Fewer federal employees could also result in an increase in improper payments made by the federal government. For example, improper payments for the Earned Income Tax Credit decreased from [\\$21.9 billion in fiscal year 2023](#) to [\\$15.9 billion in fiscal year 2024](#), largely because of an agency focus on outreach and education about refundable tax credits and eligibility. With proposals to [cut the IRS workforce](#) by nearly 20 percent, there may not be employees left to focus on efforts like this that decrease improper payments. Cuts at agencies across the government could derail similar efforts.

Legal Response to Mass Firings

While agencies may conduct "reductions in force" under certain circumstances, the Administration has not followed the [proper procedures](#) for doing so. These procedures require that agencies rank employees based on their tenure of employment, veteran preference, length of service, and performance before firing employees when downsizing due to a reorganization or lack of funds. Agencies are not allowed to fire employees *en masse* simply because the Administration disagrees with programs or services for which Congress has already appropriated funds.

Federal judges have recently ruled that the Administration illegally fired thousands of employees because agencies did not follow these reduction-in-force procedures. Instead of ranking employees as required, several agencies issued stock-language termination letters to thousands of employees stating that they were being fired because of their "poor performance," though many employees had recently received positive performance reviews. These fired employees include [thousands of veterans](#) who should have been considered a higher priority for retention based on their service. Judges in these cases directed agencies to reinstate the employees who were fired. The Administration has appealed the findings and

attempted to place reinstated employees on administrative leave, which one judge said would not be allowed.

Beyond lawsuits, employees can file a complaint with the [Office of Special Counsel](#) (OSC) for prohibited personnel actions or with the [Equal Employment Opportunity Commission](#) for discrimination. Non-probationary employees can appeal their termination with the [Merit Systems Protection Board](#); probationary employees may generally do so only when the termination was based on partisan political reasons or marital status.

THE BASICS

Where do federal employees work?

Federal employees work in [every congressional district](#) in the country. In fact, [80 percent](#) of the 2.3 million federal civilian employees work outside the D.C. region. As a result, mass firings have the potential to not only affect government services, but also to disrupt local economies.

What departments employ the most federal employees?

Eight departments each employ over [100,000 civilian employees](#). They are the Department of Veterans Affairs, Department of Homeland Security, Department of the Army, Department of the Navy, Department of the Air Force, Department of Justice, Department of Treasury, and other Department of Defense employees not included in the branches of the military. Employees at these agencies account for almost 75 percent of the federal civilian workforce, not including U.S. Postal Service workers.

How much money is spent on federal employees?

Approximately 4 percent of all federal spending is compensation for civilian employees. In fiscal year 2022, the federal government spent [\\$6.3 trillion in total outlays](#) but only [\\$271 billion](#) was from compensation to civilian employees. For comparison, the gross tax gap from taxes the wealthy owe but refuse to pay is approximately [\\$696 billion](#), or 2.5 times more than all compensation to civilian employees. Total civilian employee compensation is dwarfed by the amounts that wealthy tax cheats don't pay in taxes.

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.



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