



Executive Order 14210: Using Agency Shutdown Plans to Inform Reductions in Force (RIFs)

March 13, 2025

As part of his plans to downsize the federal workforce, on February 11, 2025, President Trump issued Executive Order 14210, titled "Implementing the President's 'Department of Government Efficiency' Workforce Optimization Initiative." This executive order required agencies to "promptly undertake preparations to initiate large-scale reductions in force (RIFs), consistent with applicable law, and to separate from federal service temporary employees and reemployed annuitants working in areas that will likely be subject to RIFs." It specified that the RIFs should prioritize separating personnel who "perform functions not mandated by statute or other law" who are not typically designated as "essential" during a lapse in appropriations in *agency contingency plans* (also referred to as *agency shutdown plans*). In other words, it directed agencies to prioritize using RIFs to separate employees who would typically be furloughed if the agencies experienced a funding lapse.

Subsequently, on February 26, 2025, the Office of Management and Budget (OMB) and the Office of Personnel Management (OPM) issued a joint memorandum titled "Guidance on Agency RIF and Reorganization Plans Requested by *Implementing the President's 'Department of Government Efficiency' Workforce Optimization Initiative*" requiring agencies to create and submit "Agency RIF and Reorganization Plans" to OMB and OPM by March 13, 2025. It directed agency heads to work with Department of Government Efficiency team leads to identify agency components and employees "who are not typically designated as essential during a lapse in appropriations" for purposes of RIF planning. While Executive Order 14210 directed agencies toward the contingency plans provided on OMB's public website, the OMB/OPM memorandum directs agencies to use the agency contingency plans submitted to OMB in 2019 during the first Trump Administration.

Contents of Agency Contingency Plans

Agency contingency plans have historically been prepared pursuant to OMB-provided instructions in the annually revised Circular A-11. An agency's shutdown plan is often the most current and detailed source of information on how the agency may operate in the event of a funding lapse. Circular A-11 requires

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https://crsreports.congress.gov IN12527 agencies to describe in detail, for each agency component (e.g., a bureau-size entity within a department), the following:

- To the extent that specific shutdown activities will not be completed within one half-day, the nature of each such activity, together with the time and the number of employees necessary to complete the activity.
- The total number of employees in the component to be on board before implementation of the plan.
- The total number of employees in the component expected to be furloughed under the plan.
- The total number of employees to be retained in the component under the plan for each of the following categories: (1) employees whose compensation is financed by carryover funds or an appropriation provided by permanent law, (2) employees who are necessary to perform activities expressly authorized by law, (3) employees who are necessary to perform activities necessarily implied by law, (4) employees who are necessary to the discharge of the President's constitutional duties and powers, and (5) employees who are necessary to recessary to protect life and property. If an employee fits in more than one category, he or she may be reflected in the count for all applicable categories (i.e., the count may be duplicated) in order to ensure the best estimate of the number of employees within each category.

A shutdown furlough is the placement of employees in a temporary, nonduty, nonpay status. The current framework used for shutdown furloughs in executive branch agencies is generally governed by opinions issued by the Office of Legal Counsel in the Department of Justice regarding the applicability of provisions of the Antideficiency Act, including Title 31, Sections 1341-1342, of the *United States Code*. Several types of executive branch officials and employees are not subject to furlough. These include the President, certain presidential appointees, and federal employees deemed *excepted*. OPM has described *excepted employees* as "employees who are funded through annual appropriations who are nonetheless excepted from the furlough because they are performing work that, by law, may continue to be performed during a lapse in appropriations."

Sources sometimes use the term *essential* instead of *excepted*. In the legislative branch, at least one source has referred to nonfurloughed employees as *essential*, although this terminology was not used consistently across the branch and may have varied across offices and agencies. In the executive branch, this term was used similarly in the early 1980s. Since then, the term has largely disappeared from official use in the executive branch in favor of *excepted*, in part to prevent a colloquial interpretation of the term *essential* as referring to relative importance or value. In congressional hearings that focused on the first FY1996 shutdown, some witnesses regretted that the terms *nonessential* and *essential* had been used to describe employees subject to furlough and not subject to furlough, respectively. Use of the term *nonessential* was a misnomer and demeaning, they said.

Executive Branch Discretion in Shutdown Planning

Interpretations of the Antideficiency Act and its allowable exceptions have varied from Administration to Administration, from shutdown to shutdown, and during the course of a single shutdown. When engaging in shutdown planning, agencies may exercise some discretion in determining whom to furlough and whom to except from furlough relative to the specific circumstances of a given shutdown. For example, an OMB report on the 2013 shutdown states that "there were instances in which agencies modified the number of employees on furlough, both recalling employees and furloughing additional employees." Congress may wish to evaluate the 2019 agency contingency plans to assess the categories of employees that agencies are directed to prioritize separating via RIFs in accordance with the February 26, 2025,

memorandum—particularly as agency subcomponents created after 2019 may not be accounted for in these plans.

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