

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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<https://oversight.house.gov>

June 4, 2025

The Honorable Howard Lutnick  
Secretary  
Department of Commerce  
1401 Constitution Avenue, NW  
Washington, DC 20230

Dear Secretary Lutnick:

I write with grave concern regarding reports that the Department of Commerce (Commerce) failed to provide illegally terminated probationary federal employees with health care coverage both in the immediate aftermath of their initial terminations and upon rehiring, and has failed to provide documentation to former employees regarding their terminations. Committee Democrats received reports that employees were fired, some with just hours' notice, and denied health coverage for which they had already paid. Commerce also failed to honor its commitment to fired employees that their health coverage would continue for a 31-day period after their termination.<sup>1</sup> I urge you to take immediate action to remedy the financial and physical injury done to employees who had their health coverage illegally cancelled and withheld and to ensure that employees receive their personnel documents. I also request information about how you are ensuring that such abuse of agency employees never occurs again.

Between January 20, 2025, and March 3, 2025, Commerce illegally fired approximately 800 probationary employees as part of the Trump Administration's purge of nonpartisan federal public servants.<sup>2</sup> After their separation, some employees received a memo explaining they would continue to receive health care coverage for 31 days after their last pay period, and would then be entitled to opt into Temporary Continuation of Coverage, the federal employees' equivalent of COBRA.<sup>3</sup> However, while some former employees did receive this 31-day extension, others may not have, with some receiving notifications from their providers that their coverage had ended earlier than the 31 day period, despite promises from Commerce.<sup>4</sup>

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<sup>1</sup> Communications with Committee Democratic Staff.

<sup>2</sup> *Mass Layoffs Begin at NOAA, With Hundreds Said to Be Fired in One Day*, The New York Times (February 27, 2025) (online at [www.nytimes.com/2025/02/27/climate/noaa-layoffs-trump.html](https://www.nytimes.com/2025/02/27/climate/noaa-layoffs-trump.html)); *Trump's firings at US weather agency will put lives at risk, scientists say*, AP News (February 28, 2025) (online at [www.reuters.com/world/us/trumps-firings-us-weather-agency-will-put-lives-risk-scientists-say-2025-02-28/](https://www.reuters.com/world/us/trumps-firings-us-weather-agency-will-put-lives-risk-scientists-say-2025-02-28/)).

<sup>3</sup> *Fired, Rehired, and Fired Again: Some Federal Workers Find They're Suddenly Uninsured*, NPR (Apr. 25, 2025) (online at [www.npr.org/2025/04/25/nx-s1-5373990/trump-federal-employees-firings-health-insurance-benefits](https://www.npr.org/2025/04/25/nx-s1-5373990/trump-federal-employees-firings-health-insurance-benefits)).

<sup>4</sup> Communications with Committee Democratic Staff.

On March 17, 2025, a federal judge ruled that the firing of more than 24,000 probationary employees was likely illegal, and ordered them temporarily reinstated. Commerce reinstated the removed employees and put them on paid administrative leave. Once reinstated, employees once again began paying health care premiums.<sup>5</sup>

On April 10, 2025, the 4th Circuit Court of Appeals voided the lower court's decision and Commerce began to once again fire probationary employees who had been rehired, making their removal dates retroactive to the original date of termination. As a result, some employees learned that their health care coverage had ended retroactively. For those who had received the original 31-day extension, this meant their coverage ended on April 8, 2025, two days before the date on which they were actually fired. Those who had never received the promised extension in the first place had been without coverage for a month despite paying their premiums during their reinstatement.<sup>6</sup>

Multiple terminated probationary employees at Commerce have told Committee Democrats that they were unable to confirm whether their health insurance would cover medical care they received during a period when their coverage should have remained active. In one case, an employee with more than a decade of continuous service at Commerce who was classified as "probationary" after accepting a promotion within the agency was told that the health insurance premiums paid into the Federal Employee Health Benefit Program would not be refunded despite Commerce's early cancellation of health coverage without notification. In another case, former Commerce employees were denied healthcare during the 31-day post-employment period and left without coverage with no notice. Commerce's failure to meet its health care obligations to its employees raises concerns about whether other forms of owed compensation, such as payment for earned leave and credit hours, are being denied.<sup>7</sup>

In addition to issues with health care coverage, multiple terminated probationary employees have been unable to access their personnel documents from Commerce that show they have been terminated, preventing them from being able to prove their termination and separation from federal service to health insurance companies or other employers. For those to whom Commerce has already failed to provide health care coverage, this creates further issues by withholding documentation that would prove a "qualifying life event" in order for them to access health care coverage from a different source.<sup>8</sup> Additionally, many employees, despite notices of termination, have not had their separations processed by Commerce and been placed on seemingly indefinite "Leave Without Pay" status.<sup>9</sup> This has caused issues with applying for unemployment benefits in many states, and with acquiring new employment. Commerce must

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<sup>5</sup> *Fired, Rehired, and Fired Again: Some Federal Workers Find They're Suddenly Uninsured*, NPR (Apr. 25, 2025) (online at [www.npr.org/2025/04/25/nx-s1-5373990/trump-federal-employees-firings-health-insurance-benefits](https://www.npr.org/2025/04/25/nx-s1-5373990/trump-federal-employees-firings-health-insurance-benefits)).

<sup>6</sup> *Id.*

<sup>7</sup> Communications with Committee Democratic Staff.

<sup>8</sup> Communications with Committee Democratic Staff.

<sup>9</sup> Communications with Committee Democratic Staff.

rectify this immediately and ensure that former employees have the documentation they need to allow them to access benefits and new employment.

To ensure that Congress can effectively perform its statutorily required oversight role and to understand the scope of Commerce's failures and prevent them from continuing, I request that you provide the following information by June 18, 2025:

1. The precise number of terminated Commerce employees whose health coverage was cut off despite paid premiums since January 20, 2025;
2. The precise number of employees who were promised that their health coverage would continue for a 31-day period after their termination;
3. A comprehensive and detailed list of Commerce's policies regarding healthcare coverage for terminated employees;
4. The precise number of employees who were entitled to have their health coverage continue for the 31-day period after their most recent termination;
5. The precise number of employees who actually maintained health coverage during the 31-day period after their most recent termination;
6. The precise number of employees who continued to pay for health coverage after their reinstatement in March 2025;
7. The precise number of probationary employees who were terminated but placed on "Leave Without Pay" status since January 20, 2025;
8. All documents and communications shared with Commerce employees, including Bureau employees, regarding their benefits and health insurance coverage after separation or termination from federal service since January 20, 2025;
9. All documents and communications shared with Department or Bureau human resources or benefits staff regarding guidance on advising terminated and probationary employees of their benefits and insurance coverage, and regarding placing terminated probationary employees on Leave Without Pay status, since January 20, 2025; and
10. A detailed description of the procedures Commerce has put in place to improve this process and prevent such issues in the future.

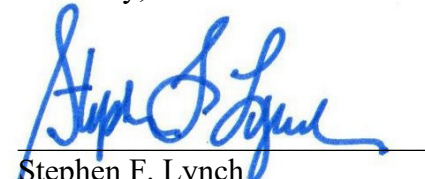
In addition, I request that you take the following actions immediately, and report back to the Committee by June 18, 2025:

1. Reinstatement all illegally terminated employees.

2. Reinststate health coverage for any fired employee still within the 31-day period post termination, effective from the date on which they were most recently removed;
3. Notify all terminated employees that they are eligible to sign up for Temporary Continuation of Coverage for a period of 60 days post termination and enable any fired employee still in that period to sign up;
4. Reimburse all terminated employees for health coverage premiums paid while they were not covered; and
5. Reimburse all terminated employees for any medical care which would have been covered by insurance during the period in which the employee was paying for but was denied coverage.

The Committee on Oversight and Government Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. The Committee also has legislative jurisdiction over federal employees. Full compliance with our requests is necessary, in part to determine whether legislative action is needed to ensure that federal agencies meet their obligations to the federal workforce. If you have any questions about this request, please contact Committee Democratic staff at (202) 225-5051. Thank you for your prompt attention to this request.

Sincerely,



Stephen F. Lynch  
Acting Ranking Member

cc: The Honorable James Comer, Chairman