May 13, 2020

To:  Washington State Executive and Small-Cabinet Agencies

From: Governor Jay Inslee

Subject: Freezing Hiring, Personal Services Contracts, and Equipment Purchases

The COVID-19 pandemic is profoundly impacting Washington’s economy and financial outlook. The full impact is unknown, but the State’s revenue situation warrants immediate fiscal restraint. To address the significant decline in state revenues, effective May 18, 2020, for all agencies under my direction, I am directing a freeze on the following: (1) hiring not related to public safety or other non-discretionary activities, (2) signing non-essential personal services contracts, and (3) discretionary purchasing of equipment.

Additional exemptions from the hiring freeze may be granted as vacancies occur in other critical areas. Exemptions for personal services contracts and equipment purchases may be granted if needed to continue critical services or agency operations. All of these exemptions must be based on a written justification provided to and approved by the Office of Financial Management (OFM). I have directed OFM to develop a process for agencies to request an exemption to this freeze. Agencies shall comply with any instructions issued by OFM.

**Hiring**

The hiring freeze does not apply to positions that:

- directly impact public safety,
- are essential to the health and welfare activities of state government,
- generate revenue,
- are required to meet statutory mandates, or
- are related to the state’s response to the pandemic.

While implementing this order, agencies shall comply with the appropriate collective bargaining agreement provisions.
**Personal services contracts**
The freeze on personal services contracts does not include contracts, contract amendments, or other agreements related to:

- the protection of life or public safety,
- tax collection or other revenue-generating activities,
- those funded exclusively from private or federal funding sources,
- approved information technology projects, and
- other essential categories included in guidelines established by OFM.

**Equipment purchases**
The freeze on equipment purchases does not apply to equipment:

- costing less than $5,000,
- necessary to protect life or public safety, or
- funded by private or federal grants.

**Guidance to other agencies**
I recognize the practical difficulties of implementing this directive to maintain the financial health of the State. I call upon our higher education institutions, boards and commissions, and other separately elected officials to impose similar restrictions within their agencies and jurisdictions.

While this is not going to be easy, I ask each agency to use common sense, good judgment and creativity to accomplish the ultimate goal of this directive to capture immediate savings through spending reductions not related to the public safety and essential health and welfare of Washingtonians.