June 17, 2020

To: Washington State Executive and Small-Cabinet Agencies

From: Governor Jay Inslee

Subject: Furloughs and General Wage Increases

The worst global pandemic in more than a century has significantly impacted our State’s economy. Unemployment has skyrocketed at an unprecedented pace since March as COVID-19, and the State’s response to it, affected nearly every sector of the economy.

Not surprisingly, state revenue collections are also plummeting. Federal stimulus money and substantial state reserve funds will help cushion the blow to our budget, but even if we spend all our state reserves, we are still projected to face a multi-billion dollar shortfall for the remainder of this and next biennia.

In addition to my previous direction to agencies to capture savings where possible and implement a freeze on hiring, equipment purchases and personal service contracts, we must do more.

Accordingly, I am directing all agencies under my authority to pursue the following measures:

- Implement a furlough of one day a week as soon as possible, but no later than June 28, 2020, through July 25, 2020, in positions where a relief employee is not required.
- Furlough employees where a relief employee is not required once a month from August 1, 2020, through November 30, 2020.
- Offer voluntary furlough options to positions where a relief employee is not required beyond the days described above.
- Seek an approved plan under the SharedWork program with the Employment Security Department for furloughed employees.

I will monitor savings associated with furloughs and will direct further furloughs as necessary through the remainder of the fiscal year.
I urge separately elected officials, the Legislature, courts, independent boards and commissions, and higher education institutions to follow these necessary measures as well.

Given the size of the budget shortfall, furloughs alone will not be enough.

I am further directing that agencies under my authority not implement the 3% general wage increase scheduled for July 1, 2020, for non-represented state employees in Exempt Management Service and Washington Management Service, and non-represented exempt employees making more than $53,000 a year.

I am directing the Office of Financial Management (OFM) to issue detailed guidance to state agencies on the implementation of this directive. The guidance from OFM will establish criteria for exceptions to this directive.

I recognize the additional sacrifice I am asking of our employees and the potential impact on services. I do not make this decision lightly. But, by taking these steps now, we can better capture savings and hopefully avoid more austere measures which could have devastating and long-term impacts on state government.