

EXECUTIVE ORDER 77-14

STATE EXPENDITURE REDUCTION

WHEREAS, The voters of the State of Washington have approved initiative measure 345 which exempts most food products from state and local retail sales and use taxes, effective July 1, 1978, and

WHEREAS, The loss of revenue to the state as a result of this initiative during the 1978-79 fiscal year is estimated at \$167 million, and during the 1979-81 Biennium is estimated to be \$378 million, and

WHEREAS, The state must operate with a balanced budget with expenditures not exceeding revenues for the biennium;

NOW, THEREFORE, I, Dixy Lee Ray, Governor of the State of Washington, by virtue of the power vested in me by RCW 43.88, do establish an expenditure control program. This program applies to all executive branch agencies, regardless of their source of funding, and is designed to ensure that expenditures do not exceed revenues during this 1977-79 Biennium. This program will take effect immediately this 10th day of November, 1977, and will extend indefinitely. The following administrative measures are hereby established to effect this expenditure control program:

1. Staffing Freeze--Agency directors are instructed to establish no new positions and to fill not more than 50 percent of funded positions now vacant or vacated during the period of enforcement of this Order. Exceptions to this directive will be granted only for critical or emergent situations for which there is clear evidence that compliance with this directive could be detrimental to the best interest of the state, or in cases where a letter of intent has been signed prior to this Order. The Budget Director shall establish criteria and propose procedures for the granting of exceptions to this directive subject to approval by me.
2. Consulting Services--No further personal service contracts subject to the filing requirements of RCW 39.29.010 shall be obligated without the explicit, prior review and approval of the Budget Director. Such review and approval shall place primary emphasis on assuring that such personal services are consistent with needs of the benefiting program and with legislative intent. It shall further assure that the specific personal services are not being sought as a means of circumventing the staffing directive of this Order. Agencies should also review existing personal service contracts in light of this directive to determine if the 30-day cancellation clause in the contract can be exercised.
3. Overtime--Agency directors are instructed to reduce wherever possible the use of overtime and other premium pay and to avoid the use of these compensations as a means of circumventing the staffing directive of this Order.
4. Procurement of Equipment, Supplies, and Materials--The purchase of all equipment which is not critically necessary to the conduct of state programs shall be postponed for an indefinite

period of time. The Purchasing Division of the Department of General Administration and the procurement agencies of the higher education institutions are directed to monitor all purchasing actions for the remainder of the biennium. No stockpiling of materials or supplies above normal levels or abnormal increases in equipment purchases beyond what is essential for normal operations is to be approved.

5. Travel--Out-of-state travel is hereby prohibited except for those meetings which are critically necessary to preserve the health or safety of state citizens and which receive prior approval by the Budget Director. All in-state travel by state employeess is hereby limited to that which is critically necessary to carry out state programs and should be conducted within a single day where feasible. No trips are to be taken for the purpose of attending conferences, conventions, or training programs unless the attendee is a formal part of the program delivering an address or is a convention official whose attendance is mandatory.

6. Conferences--Conferences and conventions are hereby limited to those which are necessary for the maintenance of state operations. All conferences and conventions exceeding a single day's duration are prohibited outside of Olympia except with the approval of the Budget Director.

7. Exceptions--All exceptions to this directive will be made by me and are to be requested only by the agency director to the Budget Director.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the State of Washington to be affixed at Olympia this 10th day of November A.D., Nineteen hundred and seventy-seven.

Dixy Lee Ray
Governor of Washington

BY THE GOVERNOR:

Secretary of State
