

CHRISTINE O. GREGOIRE
Governor




STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 753-6780 • www.governor.wa.gov

August 4, 2008

TO: State Agency Directors
Boards and Commissions

FROM: Christine O. Gregoire, Governor 

SUBJECT: Adjustments to State Agency Spending

Washington State has a resilient economy in large part due to the great diversity in our economic base and the tremendous growth of our exports and imports. These factors have contributed to *Forbes* ranking Washington as the third "best state for business" in a recent study, up from our fifth place ranking last year and twelfth place in 2006.

We have also made strategic investments that have enhanced the ability of businesses to thrive in even the toughest times. Thanks to your leadership and the hard work of your staff, our budget is in better shape than many other states as evidenced by the high ranking we received from The Pew Center on the States in the area of budget and personnel.

Even though Washington's economy remains healthy, a weakening national economy has affected us. The skyrocketing costs for groceries and the high price of fuel are being felt by all Washingtonians and by state agencies and institutions as well.

To mitigate the unforeseen impact of rising fuel costs and a continued softening of the national economy, I am asking each of you to take continued action to increase your budget savings accordingly. I ask that you take creative and bold steps to achieve this goal and I have several specific steps I'd like you to take to address this issue.

First, we must continue our aggressive reduction of fuel consumption to ease the burden on our budget. I ask all agencies to reduce their gas consumption by five percent compared to last year.

Second, all agencies should impose a freeze on the following activities: (a) hiring to fill new staff vacancies; (b) non-emergency out-of-state travel; (c) discretionary purchase of new equipment; and (d) the signing of non-emergency personal services contracts.

I ask the presidents of our higher education institutions and separately elected officials to take similar actions.



State Agency Directors
Boards and Commissions
August 4, 2008
Page 2

As always, public safety is our first priority. As you implement these steps, please continue to ensure that vulnerable individuals are protected and provided with good care.

Thank you for all your hard work on behalf of the people of Washington State. I have every confidence that you will rise to these challenges and take action to respond to rising fuel costs just as families across our state have done.