

3.b. - Governor Schwarzenegger's Executive Order S-01-01



## Office of the Governor

ARNOLD SCHWARZENEGGER  
THE PEOPLE'S GOVERNOR**EXECUTIVE ORDER S-01-10**

01/08/2010

**WHEREAS** there is continuing weak performance in the California economy and there is an anticipated \$21.0 billion General Fund deficit through the 2010-11 fiscal year; and

**WHEREAS** immediate and comprehensive action to reduce current spending must be taken to ensure, to the maximum extent possible, that the essential services of the State are not jeopardized and the public health and safety is preserved; and

**WHEREAS** the State's employee attrition rate is approximately 12 percent per year due to employee retirements and separations from service; and

**WHEREAS** given the current rate of attrition and the need to maintain essential services, particularly in periods of economic downturn when the need for many services escalates, it is not prudent to freeze all state hiring.

**NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER**, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and statutes of the State of California, issue this Order to become effective immediately:

**IT IS ORDERED** that all Agency Secretaries and Department Directors shall take immediate steps to cap the workforce by achieving an additional 5 percent salary savings by July 1, 2010, and maintain the additional salary savings levels.

**IT IS FURTHER ORDERED** that every effort shall be made to achieve the additional 5 percent salary savings through attrition.

**IT IS FURTHER ORDERED** that all State agencies and departments under my direct executive authority shall develop a plan to achieve the additional 5 percent salary savings.

**IT IS FURTHER ORDERED** that by February 1, 2010, all State agencies and departments under my direct executive authority shall submit their plan to the Cabinet Secretary, the Director of the Department of Finance, and the Director of the Department of Personnel Administration for review to ensure that the plan is sufficient to achieve the additional 5 percent salary savings.

**IT IS FURTHER ORDERED** that by March 1, 2010, all State agencies and departments under my direct executive authority shall implement their plan.

**IT IS FURTHER ORDERED** that the Director of the Department of Personnel Administration and the Director of the Department of Finance shall monitor compliance with the plans to ensure that the State agencies and departments will achieve the additional 5 percent salary savings.

**IT IS FURTHER ORDERED** that this workforce cap shall not apply to the Franchise Tax Board's direct revenue collection functions in order that revenues for the State are not adversely affected.

**IT IS FURTHER ORDERED** that this workforce cap shall not apply to the constitutional offices because the Fiscal Year 2009-2010 budget of each of those officers included a permanent reduction that achieves savings. However, the Constitutional Officers are invited to implement similar or other mitigation measures to achieve similar salary savings for the current and next fiscal years.

**IT IS REQUESTED** that other entities of State government not under my direct executive authority, including the Board of Equalization, University of California, the California State University, California Community Colleges, the legislative branch (including the Legislative Counsel Bureau and the Bureau of State Audits), and judicial branch, implement similar or other mitigation measures to achieve similar salary savings for the current and next fiscal years.

This Order is not intended to create, and does not create, any rights or benefits, whether substantive or procedural, or enforceable at law or in equity, against the State of California or its agencies, departments, entities, officers, employees, or any other person.

**I FURTHER DIRECT** that, as soon as hereafter possible, this Order shall be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Order.



**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 8<sup>th</sup> day of January 2010.

**ARNOLD SCHWARZENEGGER**  
Governor of California

**ATTEST:**

**DEBRA BOWEN**  
Secretary of State