

MEMO

TO: Agency Heads under the Governor's Jurisdiction

FROM: Dana Fritz, Governor's Chief of Staff

Uri Monson, Secretary of the Budget Neil Weaver, Secretary of Administration

DATE: September 18, 2025

RE: Hiring Slowdown Memo

Due to the fact the Legislature has been unable to deliver a Budget for Fiscal Year 2025-26 to the Governor's desk, we remain in a budget impasse that is affecting our Commonwealth agencies. All agencies under the Governor's jurisdiction must immediately implement the actions outlined below. These actions are necessary to preserve resources for critical agency operations until the FY 2025-2026 general appropriation act and all the related budget bills have been enacted, and full-year appropriation levels have been determined. *These actions apply only to funding streams (state and federal) that are appropriated via the annual general appropriation act.*

Hiring Slowdown

A general hiring slowdown on salaried and wage positions is effective immediately. No additional external job postings shall be opened while this measure is in effect. Agencies with existing external postings that opened for application before 9/18/2025 may continue to conduct interviews and extend employment offers to candidates for those postings. Internal job postings may continue; however, applicants must be limited to employees within the same hiring agency and funding stream.

The following categories of positions are exempt from the general hiring slowdown:

- Positions that provide direct care to patients, residents, and clients in state-operated facilities (e.g., state and veterans hospitals).
- Positions directly engaged in law enforcement, public safety, and corrections.
- Positions directly responsible for receiving and posting revenues or for generating or collecting revenues.

Under no circumstances will agencies be permitted to enter into or expand service purchase contracts or staff augmentation contracts to circumvent this action.

Questions about the hiring slowdown should be directed to your agency's HR Manager.

Non-Essential Travel Ban

Effective immediately, all agencies are prohibited from incurring in-state and out-of-state non-essential travel costs including all air travel, ground travel, lodging, parking, tolls, subsistence, and any other miscellaneous travel expenses. This prohibition also applies to state and federal appropriations that have established stopgap ESNs to enable the Commonwealth to meet its legal obligation to fund certain mandated programs and provide for the health, safety and welfare of residents during the budget impasse.



MEMO

The Office of the Budget may grant exceptions for essential travel in the following cases:

- Essential travel for an employee whose job duties are critical to the agency's mission and the travel is inherent to their job (for example, but not limited to: auditors, inspectors, examiners, enforcement and collections agents). The Office of the Budget will issue blanket approvals when appropriate in these cases. If approved, eligible employees should continue to submit requests for contractual meal allowances as appropriate.
- Travel that is completely funded by third-party dollars. Agencies may only use state funds to cover upfront travel costs if the total cost of the travel will be reimbursed by the third party.
- Travel paid for by the Commonwealth for non-Commonwealth employees who are engaged in the furtherance of the Commonwealth's official business (for example: contractors, witnesses testifying on behalf of the Commonwealth, etc.) may continue when absolutely essential.

If your agency believes that travel is essential, please submit a request for approval by emailing your OB Analyst.

Reservations made prior to 9/18/2025 should be cancelled, unless your agency would incur additional costs or a cancellation fee as a result of the cancellation. This includes any out-of-state non-essential travel that was previously approved by the Governor's Office. Airline reservations should not be cancelled if the cancellation would result in a fee. Lodging and transportation reservations made prior to the date of this notice may be honored if they are associated with pre-paid airfare travel, if the Commonwealth would incur a cancellation fee or other cost (for example: non-refundable training or conference costs), or both.

Travel bookings and expense claims from this date forward will be monitored for compliance with these prohibitions. Questions related to travel can be directed to the Office of the Budget at raobquestions@pa.gov.

General Purchasing Restriction

All agencies must stop purchasing new goods or services under existing contracts or purchase orders unless the goods or services are absolutely critical to your agency's operations. Discretionary spending is prohibited as of the date of this notice.

This purchasing restriction also applies to new purchases that could be paid from prior year available balances or funds approved on an Act 146 waiver. Expenses incurred prior to June 30, 2025 and applicable to a prior budget period will continue to be paid in accordance with Management Directive 310.3.

Questions about this purchasing restriction may be directed to the Office of the Budget at <u>ra-obquestions@pa.gov</u>.

c: Deputy Secretaries for Administration under the Governor's Jurisdiction Human Resource Managers under the Governor's Jurisdiction