

State of New Hampshire
By His Excellency
Craig R. Benson, Governor

EXECUTIVE ORDER 2004-02

**An order directing a hiring and spending freeze
to reduce the rate of state general fund expenditures**

WHEREAS, RSA 9:16-b provides that "[n]otwithstanding any other provision of law, the governor may, with prior approval of the fiscal committee, order reductions in any or all expenditure classes within any or all departments, as defined in RSA 9:1, if [he] determines at any time during the fiscal year that: (a) projected State revenues will be insufficient to maintain a balanced budget and that the likelihood of a serious deficit exists;" and

WHEREAS, the Governor has determined that the projected state revenues for Fiscal Year 2004 are insufficient to fund state expenditures as authorized by Chapter 318, N.H. Laws of 2003; and

WHEREAS, the Governor and the Legislature are committed to taking such steps as are required to achieve a balanced budget by the end of the biennium; and

WHEREAS, the Governor has met with the presiding officers of the House and Senate and has thus determined that it is in the public interest to meet with the legislative fiscal committee, which has, in turn, responded to the Governor's initiative by consenting to certain actions to reduce the rate of state general fund expenditures;

NOW, THEREFORE, I, CRAIG R. BENSON, Governor of the State of New Hampshire, by virtue of the power and authority vested in me by RSA 9:16-b and part II, article 41 of the New Hampshire Constitution, do hereby order, effective immediately, the following steps to apply to all departments as defined in RSA 9:1 in order to effect a reduction in the rate of expenditure:

a. All full-time classified and unclassified employee positions funded in whole or in part by the General Fund which are vacant on the effective date of this Executive Order or which become vacant after its effective date shall remain vacant during the 2004/2005 biennium, with the exception of direct care, custodial care, law enforcement positions and those positions within the community-technical colleges that are directly responsible for academic instruction, including but not limited to academic faculty and counseling. The appropriation for each position shall be lapsed forthwith to the Salary Adjustment Fund, RSA 99:4, and the Employee Benefit Adjustment Account, RSA 9:17-c, as applicable.

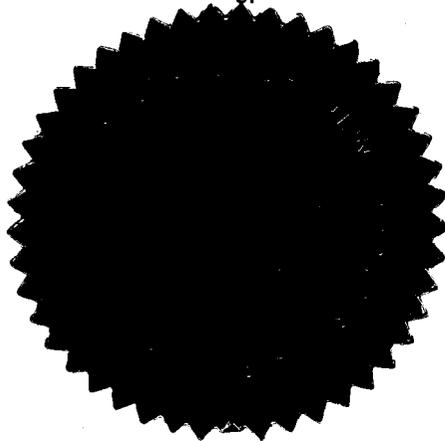
b. No general fund monies appropriated for Class 30 Equipment, for Fiscal Year 2004 shall be expended or encumbered except those encumbered by contract or purchase order on the date of this Executive Order.

c. No general fund monies appropriated for consultants for Fiscal Year 2004 shall be expended or encumbered except those encumbered by contract or purchase order on the date of this Executive Order.

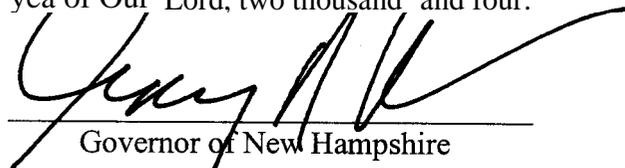
d. No general fund monies appropriated for Class 080 out-of-state travel, for Fiscal Year 2004 shall be expended or encumbered except those encumbered by contract or purchase order on the date of this Executive Order.

Reductions directed by this order shall remain in effect until June 30, 2004 or until terminated under the provisions of RSA 9:16-b: provided, however, that individual exceptions to any of the above provisions may be requested by any agency in writing to the Governor. Any exceptions granted by the Governor shall be transmitted to the Fiscal Committee.

e.



Given under my hand and seal at the Executive Chambers in Concord, this 24th day of March, in the yea of Our Lord, two thousand and four.


Governor of New Hampshire