

EXECUTIVE ORDER NO. 25-12
ORDER DECLARING A TEMPORARY HIRING FREEZE IN RESPONSE TO SEA 1

WHEREAS, the State of Indiana General Assembly passed Senate Enrolled Act 1 (SEA 1), which was signed into law by Governor Braun, and represents a major overhaul of Indiana's tax structure that will significantly impact the financial health of municipalities across the state; and

WHEREAS, to date, the State of Indiana has failed to provide accurate or reliable revenue loss projections to local governments, including the City of Hammond, regarding the long-term financial implications of SEA 1; and

WHEREAS, preliminary estimates indicate the City of Hammond could face an annual revenue shortfall of approximately \$8 million by 2028 as a direct result of SEA 1; and

WHEREAS, over two-thirds of the City's annual budget is allocated to public safety services, including police and fire, and any future cuts to City revenue as a result of SEA 1 will threaten critical frontline services and public safety; and

WHEREAS, in light of this looming fiscal uncertainty, it is the duty of the mayor to exercise proactive fiscal restraint and ensure the long-term sustainability of city operations and services;

THEREFORE, by executive order, declare a hiring freeze on all municipal departments, boards, commissions, and agencies of the City of Hammond, effective August 6, 2025.

FURTHERMORE, the mayor may authorize the filling of positions on a case-by-case basis where:

- The position is essential to maintaining core city services;
- The position is necessary to protect public health, safety, or welfare;
- A vacancy would significantly impair department operations or lead to higher long-term costs.

Requests for exceptions must be submitted in writing to the Mayor's Office and include justification for the essential nature of the position.

This Order is in effect immediately upon my signature and shall remain in effect until further notice.

SO ORDERED this 11th day of August 2025.

/s/ Thomas M. McDermott Jr.
Thomas M. McDermott, Jr.
Mayor, City of Hammond