On February 2, 2017, the Department of Defense (DOD) issued initial guidance on implementing the federal hiring freeze instituted by President Trump—an order that suspends the hiring of civilian employees in the executive branch. On March 7, 2017, the DOD issued additional guidance (available upon request) that supplements the initial guidance by

- adding new exemptions from the freeze for (1) essential military and base operating services, (2) infrastructure sustainment, and (3) family readiness programs;
- delegating exemption approval authority to lower-level officials for exemptions required by law; and
- authorizing processing of all hiring actions (except job offers) for all non-exempt positions.

DOD issued the additional guidance amid (1) reports that implementation of the hiring freeze, based on the initial guidance, has reduced or canceled services for military members and their families—particularly services at Child Development Centers (see Table 1); and (2) concerns that positions critical to military readiness are not explicitly exempt, such as those in the defense acquisition workforce and some civilian positions at shipyards and depots.

The reported service reductions and concerns may stem, in part, from implementation of initial department- and component-level guidance, particularly (1) the lack of exemptions for critical positions, (2) the interpretation and use of exemptions, (3) exemption approval processes, and (4) ongoing recruitment issues.

Lack of Exemptions for Positions

DOD's initial guidance does not appear to exempt positions that perform certain family readiness functions, such as base shopping services (see Table 1). The new family readiness exemption in DOD's additional guidance may address this issue. The additional guidance does not, however, explicitly address concerns raised over the lack of exemptions for positions affecting military readiness, such as defense acquisition and shipyard and depot positions not directly involved in managing inventory or maintaining equipment. The critical infrastructure sustainment and critical military and base operating services exemptions may partially cover such positions.

Interpretation and Use of Exemptions
DOD initial guidance instructs its components to use exemptions "sparingly" and to "be prepared to justify their exemption decisions on a position-by-position basis," which might affect the extent to which exemptions are used. DOD's additional guidance did not alter such language.

DOD initial guidance allows its components to determine the specific positions that are covered by DOD's exemption categories. Exemptions are generally considered on a case-by-case basis by commanders at the installation level, potentially leading to different interpretations of which positions qualify for, and need, an exemption. For example, whereas some commanders may interpret the exemption for positions providing child care for military personnel as applying only to those directly providing care at CDCs, others might interpret the exemption as applying to support positions at CDCs, such as cooks and custodial workers. DOD's additional guidance does not further clarify the exemption categories.

**Exemption Approval Processes**

DOD initial guidance requires component-level secretaries to approve requests for all exemptions. Some DOD components require additional levels of approval before an exemption is granted. For example, the Department of the Army hiring freeze guidance (available upon request) requires a formal exemption request and approval from at least one lower-level official prior to the component-level secretary.

Such processes have reportedly led to delays for hiring some civilian positions at both the Army and the Navy. For example, in response to service reductions at the installation, Marine Corps Community Services (MCCS) Lejeune-New River stated that it was awaiting approval of multiple exemptions that were "not being made on a local level." Similarly, some Army CDCs (see Table 1) have reportedly experienced hiring delays due to lengthy waiting periods for exemption approvals. DOD's additional guidance allows lower-level managers to approve requests for exemptions required by law, but not for the exemption categories established by DOD.

**Ongoing Recruitment Issues**

The federal hiring freeze has highlighted preexisting recruitment issues for some DOD civilian positions. For example, Army officials at the department and installation levels have asserted that CDC positions have historically been difficult to fill due to high turnover rates and lengthy hiring procedures—particularly background checks. Army officials further asserted that the hiring freeze has exacerbated these issues, perhaps in part to DOD's initial requirement to limit processing of hiring actions for non-exempt positions to those initiated before January 22, 2017. DOD's new rules allowing hiring actions for all non-exempt positions may allow CDCs to resume hiring and background checks, but resolving the underlying causes of high turnover rates and lengthy background checks may require changes to the hiring process.

**Congressional Actions on Hiring Freeze Implementation Issues at DOD**

Congress has taken steps to address reported challenges in implementing the hiring freeze, particularly through formal letters, hearings, and legislation that seek to

- **Clarify exemption approval processes:** The House Committee on Oversight and Government Reform sent a letter directing the Army to report on steps taken to address exemption requests in a timely manner.
- **Understand the full impact of the freeze on DOD civilian personnel:** During a hearing, the House Committee on Armed Services sought information on the impact of the freeze on the Army civilian workforce and readiness.
- **Add new, or expand existing, exemptions:** Members of Congress asked President Trump to add an exemption for defense acquisition positions. In addition, legislation has been introduced to exempt all civilian positions at, or in support of, depot maintenance facilities (H.R.990) and public shipyards (S.250, H.R.742) from the freeze.
- ** Expedite exemption approval processes:** Members of Congress requested expedited exemption processes—specifically by eliminating requirements to exempt on a position-by-position basis—for civilian positions at Navy shipyards and military depots, plants, and arsenals.

Congressional Oversight of Hiring Freeze Implementation at DOD
As DOD continues to implement the hiring freeze, Congress may wish to monitor the extent to which

- DOD is seeking to address the underlying causes of hiring difficulties (e.g., structure of exemptions, approval processes, and ongoing recruitment issues) and taking actions to remedy such difficulties;
- DOD's exemption categories adequately capture positions that are critical to national security, public safety, or other mission-critical services at DOD;
- DOD component-level approval processes promote or unnecessarily hinder timely hiring for exempted positions;
- DOD's additional guidance addresses reported hiring difficulties at the component level, including the use and approval of exemptions; and
- Certain categories of positions should receive expedited exemptions.

Table 1. Examples of Reported DOD Service Reductions Resulting from the Hiring Freeze

<table>
<thead>
<tr>
<th>Department</th>
<th>Military Base</th>
<th>Affected Services</th>
<th>Effective Date(s)</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of the Navy</td>
<td>Camp Lejeune/Air Station New River</td>
<td>Child Development Centers (CDCs): suspension of hourly childcare</td>
<td>February 23</td>
<td>MCCS Lejeune-New River website</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shopping: Reduced hours of operation (two marine marts, one snack bar, one Starbucks).</td>
<td>February 27- March 6</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Services: Store closure (Western Union)</td>
<td>N/A</td>
<td>Wiesbaden Facebook page (February 22 and February 24)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Recreation: Continued observance of Winter hours for recreation offices and closure of a recreational equipment facility.</td>
<td></td>
<td>House Committee on Armed Services press release (includes Wiesbaden memorandum)</td>
</tr>
<tr>
<td>Army Garrison-Rheinland-Pfalz</td>
<td>CDCs: Suspended hourly care. Freeze on wait lists.</td>
<td>Rheinland-Pfalz Facebook page</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fort Knox</td>
<td>CDCs: No new enrollments. Suspension of hourly and part-day childcare.</td>
<td>February 17 (new enrollments) House Committee on Oversight and Government Reform memorandum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fort Drum</td>
<td>CDCs: No new enrollments. Reduced hourly care options.</td>
<td>March 6 Fort Drum website</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** CRS analysis of resources in the "Sources" column.

a. According to the Department of the Army, the CDC vacancies at Fort Knox and Wiesbaden have been addressed.