



TED STRICKLAND
GOVERNOR
STATE OF OHIO

Executive Order 2008 – 21S

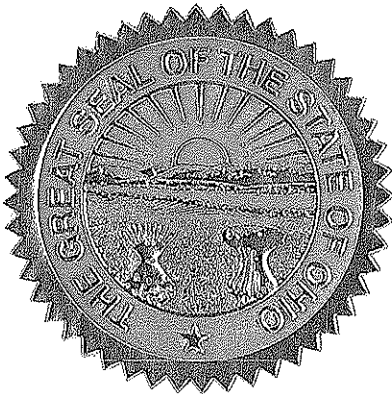
Enhancing the State's Procurement Process by Establishing "Sweatshop-Free" Purchasing Terms and Conditions

- 1. Ohio's Procurement of Goods.** Ohio's state agencies, boards and commissions (collectively "state agencies"), purchase millions of dollars of goods annually, which facilitate their ability to provide needed services to Ohioans. In contracting with suppliers to provide these goods, state agencies are responsible for ensuring that suppliers meet or exceed the State's procurement expectations, not only by supplying goods at a competitive price, but also by maintaining an organizational structure that ensures suppliers comply with the law when fulfilling contracts with the State.
- 2. Production of Goods in Sweatshops Has Become an Increasingly Widespread Problem.** Sweatshops are work environments with substandard or dangerous conditions in which the workers have few ways to address those conditions. Persons who work in sweatshops are often forced to work long hours for little or no pay. Sweatshop environments can include exposure to harmful materials, hazardous situations, extreme temperatures, or abuse from employers. These workers suffer physical, emotional and economic abuse and are not afforded basic dignities that all employees should receive. Regrettably, the production of clothing in sweatshops, particularly uniforms for sale or rent and footwear (hereinafter "clothing"), is a well-documented global issue.
- 3. Manufacturers and Suppliers Must Provide Work Environments for their Workers that Adhere to All Applicable Laws.** Suppliers doing business with the State, and the manufacturers, production facilities and subcontractors providing assembled products to the State's primary suppliers, are expected and required to comply with the applicable laws relating to conditions in which their workers work. These may include

laws that address worker conditions like providing a safe working environment, setting permissible work hours, paying fair compensation, prohibiting discrimination, harassment or abuse, and recognizing employees' rights to freedom of association and collective bargaining.

4. **Efforts to Compete in the Worldwide Market Have Led Some Suppliers of Goods to Engage in Illegal Production Practices.** In an attempt to reduce operational costs and increase profit margins, some manufacturers and suppliers choose to disregard the laws of their respective jurisdictions regarding employment protections to which workers are entitled. By circumventing these established laws, manufacturers and suppliers are able to offer goods at reduced costs, thereby creating an unfair competitive advantage in the marketplace while jeopardizing the health, safety and welfare of workers. When goods are manufactured and supplied by companies that do not comply with laws regarding acceptable employment conditions, the integrity of the competitive process is undermined and basic human rights to which workers are entitled are eroded.
5. **Establishment of "Sweatshop-Free" Purchasing Terms and Conditions.** Because Ohio is committed to ensuring that clothing purchased by the State is produced consistent with all applicable laws, I am establishing "Sweatshop-Free" Purchasing Terms and Conditions to be utilized by state agencies, and hereby order the following:
 - a. **Standardization of Contract Terms and Conditions.** By December 15, 2008, the Ohio Chief Procurement Officer shall draft standard "terms and conditions" clauses that shall be used by state agencies in future contracts relating to the purchase of clothing. These standard terms and conditions will require that suppliers of clothing, as well as their manufacturers and subcontractors, are in compliance with all applicable laws. These laws include, but are not limited to, laws establishing standards for wages, occupational safety and work hours. Consequently, by entering into a contract with the State, each supplier will be certifying that sweatshops are not being used in the production of that supplier's clothing.
 - b. **State Agency Implementation of Standardized Contract Terms.** By January 30, 2009, Agency Procurement Officers shall report to the Ohio Chief Procurement Officer that their respective agencies have included the standardized terms and conditions in all contracts relating to the purchase of clothing. The Ohio Procurement Officer shall then notify me of any agency that has failed to do so.

6. **Failure to Comply with the State's "Sweatshop-Free" Terms and Conditions.** Each Agency Procurement Officer is directed to report a supplier's failure to comply with the "Sweatshop-Free" terms and conditions to the Ohio Chief Procurement Officer.
- a. **Sanctions for Violation of "Sweatshop-Free" Terms and Conditions.** If a supplier violates the "Sweatshop-Free" terms and conditions of a contract with a state agency, that agency shall determine the appropriate sanction. Appropriate responses to noncompliance may include, but are not limited to, cancelling the contract, finding that the supplier is not a responsible bidder (a determination that the Ohio Department of Administrative Services lacks confidence in the bidder's ability to successfully perform the contract), or determining that the supplier is ineligible to receive future contract bid awards.
 - b. **Report on Supplier Compliance with the "Sweatshop Free" Terms and Conditions.** By August 1, 2009, and on each August 1 thereafter, the Ohio Chief Procurement Officer will submit a report to me that details the instances of suppliers' failure to comply with the standardized terms and conditions. The Ohio Chief Procurement Officer may also determine additional categories of goods for which sweatshop free terms and conditions will be inserted into contracts for the next fiscal year and notify me of any such categories in each annual report.
7. I signed this Executive Order on October 16, 2008 in Columbus, Ohio and it will not expire unless it is rescinded.



Ted Strickland
Ted Strickland, Governor

ATTEST:

Jennifer Brunner, Secretary of State