



# The State of Maryland

## Executive Department

EXECUTIVE ORDER  
01.01.2017.10

### Procurement Preference for Employers Providing Paid Leave

- WHEREAS, Marylanders who do not earn any paid leave can face economic distress because of missed work when they or their families are ill or require medical care;
- WHEREAS, The State of Maryland has a commitment to expand access to paid leave in the workforce in a manner that does not burden small businesses and lead to a loss of jobs, higher unemployment, stagnation in the creation of new business, stymied growth for existing businesses, or other economic effects detrimental to Maryland citizens;
- WHEREAS, Employees who do not have access to paid leave are more likely to work while compromised by illness or other personal issues;
- WHEREAS, In selecting contractors, the State of Maryland has a compelling interest in considering whether access to paid leave ensures that workers will be healthy and secure; and
- WHEREAS, Encouraging expanded access to paid leave by giving procurement preference to bidders that provide it will help protect the State's interests,
- NOW, THEREFORE, I, LAWRENCE J. HOGAN, JR., GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, DO HEREBY PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

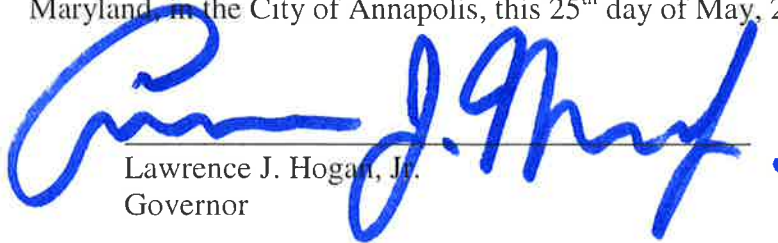
- A. Each State department, agency, authority, board, or instrumentality controlled by the Governor shall conduct a comprehensive review of its procurement procedures, guidelines, and regulations to determine whether they can be modified or expanded to grant a procurement preference to bidders that provide paid leave to employees.
- B. In conjunction with any such modified or expanded procedures, guidelines, or regulations, each State department, agency, authority, board, or instrumentality shall identify:
  - 1. How the provision of paid leave will be evaluated and assessed in procurements and public notices of solicitation;
  - 2. Any certifications that must be executed by bidders to obtain a procurement preference;
  - 3. Any appropriate exceptions by which, on a contract-by-contract basis, a preference may not be extended to bidders that offer employees paid leave, as well as factors to be considered in applying any such exceptions; and
  - 4. How to implement this Executive Order in a manner consistent with existing policies that establish procurement preferences in other circumstances, including preferences to support women- and minority-owned businesses.
- C. After its review, and to the extent permitted by law, each State department, agency, authority, board, or instrumentality shall so modify or expand its procedures, guidelines, or regulations to grant a preference to bidders that provide paid leave to employees:
  - 1. Working in the performance of the State contract or subcontract;
  - 2. Who regularly work at least 30 hours per week; and
  - 3. Are employed at least 120 days during a 12-month period.
- D. State departments, agencies, authorities, boards, or instrumentalities shall implement this Executive Order in a manner consistent with all applicable statutes. If any provision of this Executive Order or its application to any person or circumstance is held invalid by any court of competent jurisdiction, all other provisions or applications of the Executive Order shall remain in effect to the extent possible without the invalid provision or application. To achieve this purpose, the provisions of this Executive Order are declared to be severable.

E. Nothing in this Executive Order shall be construed to:

1. Contravene any State statute or federal law or to jeopardize federal funding;
2. Preempt, limit, or otherwise affect any workers' compensation benefits, including as provided in Title 9 of the Labor and Employment Article of the Code of Maryland; or
3. Require a contractor to compensate an employee for unused paid time off when the employee ceases work in the performance of a State contract or subcontract.

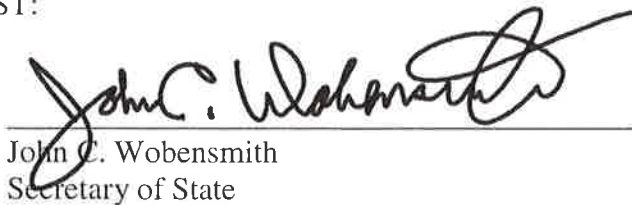
F. Each agency shall provide to the Governor's Chief of Staff, no later than December 1, 2017, a report with the results of its review and identifying any resulting modifications to or expansions of procedures, guidelines, or regulations.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 25<sup>th</sup> day of May, 2017.



Lawrence J. Hogan, Jr.  
Governor

ATTEST:



John C. Wobensmith  
Secretary of State

