Importance of the Initiative

Virginia’s founding creed is that all people “are by nature equally free and independent,” and that they share the inherent rights to “the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety.” (Virginia Declaration of Rights, Section 1 (1776)). Indeed, it is the very function of our government to ensure these rights to all Virginians.

Our modern society is more reflective of this fundamental belief than ever before. Virginia today welcomes people from across the globe, of every background, to join in building a prosperous and free society. The work of my administration has been committed to this end of building a new Virginia economy—an economy that embraces the diverse world in which we live.

Recent events have demonstrated the negative effects of allowing prejudice, while also showing the positive growth that comes from an open and inclusive state government. States and localities that have promoted discriminatory laws are seeing businesses abandon development projects. States and localities that have pursued more inclusive policies have reaped the benefits of businesses expanding and relocating to their jurisdictions. Companies with whom Virginia does business, including those critical for building a new Virginia economy with high-paying jobs, have increasingly implemented their own policies prohibiting discrimination based on sexual orientation and gender identity. The global economy in which Virginia must compete demands a dynamic workforce that is competitive, diverse, and educated.

Additionally, federal procurement policy prohibits federal contractors from discrimination based on sexual orientation and gender identity. Federal contractors have thus already changed their internal policies and practices accordingly and are unlikely to reverse course, even if the federal requirement is adjusted. Many federal contractors also deliver services to the Commonwealth. Current procurement policy in Virginia is not sufficiently
aligned with these non-discrimination policies to promote economy and efficiency in state procurement. Having Virginia policy align with this federal non-discrimination policy will not only further my administration’s goal of building a more diverse, open, and welcoming Virginia, but also will give uniformity to contractors that serve many government entities, resulting in economic benefits to Virginia taxpayers.

Accordingly, by the power vested in me as the Chief Executive by Article V of the Constitution of Virginia and the laws of the Commonwealth, I hereby order the following:

I. Require future state contracting to require prohibitions on discrimination in employment, subcontracting, and delivery of goods and services, including discrimination based on sexual orientation or gender identity.

It is hereby ordered as the policy of the Executive Branch that it will only contract with those who abide by the non-discrimination policies set forward in Executive Order 1 (2014), namely that discrimination on the basis of race, sex, color, national origin, religion, sexual orientation, gender identity, age, political affiliation, disability, or veteran status is prohibited.

All Executive Branch entities are ordered to include in their procurement contracts valued over $10,000 a prohibition on discrimination by the contractor, in its employment practices, subcontracting practices, and delivery of goods or services, on the basis of race, sex, color, national origin, religion, sexual orientation, gender identity, age, political affiliation, disability, or veteran status. They must also include a term that the contractor will include the same requirements in every subcontract or purchase order over $10,000, so that the same provisions will be binding upon each subcontractor or vendor on state procurement contracts. This requirement shall not apply to procurements that have, as of the date of this Order, already progressed to a stage at which changes in contract requirements would materially and adversely impact the completion of a procurement contract. Specific contracts with certain private childplacing agencies pursuant to § 63.2-1709.3 may also be exempted from this requirement.

The Department of General Services and the Virginia Information Technologies Agency are directed to promulgate appropriate policies and regulations to require the same, including consideration of any other applicable laws or regulations. They are also directed to impose appropriate sanctions under the Virginia Public Procurement Act, including but not limited to termination of the contract and debarment from state contracting for any violations of this contract term.

II. Prohibit discrimination, including that based on sexual orientation or gender identity, in the provision of state services.

Building on the requirements of Executive Order 1 (2014), I hereby order that no state employee or agent within the Executive Branch may engage in discrimination in the provision of public services based on race, sex, color, national origin, religion, sexual orientation, gender identity, age, political affiliation, disability, or veteran status. Any state employee or agent who engages in such discrimination will be subject to appropriate disciplinary action.
The Department of Human Resource Management is directed to promulgate appropriate policies in the Commonwealth’s Standards of Conduct to implement these requirements in accordance with any other applicable laws and regulations.

**No Third-Party Rights Created**

This Executive Order is intended to provide direction for Executive Branch entities and does not create any rights or remedies enforceable by third parties.

**Effective Date of the Executive Order**

This Executive Order shall become effective upon its signing and shall remain in full force and effect until amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 5th Day of January, 2017.

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Terence R. McAuliffe, Governor

Attest:

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Kelly Thomasson, Secretary of the Commonwealth