

MAR 17 2004

**Executive Order
04-09**
SECRETARY OF STATE

WHEREAS, Missouri state agencies and political subdivisions procure some goods and services, by contract, through public and private vendor corporations and businesses (collectively, "vendors"); and

WHEREAS, in a limited number of instances, vendors providing services may seek to subcontract or otherwise obtain some of these services from a location outside the United States; and

WHEREAS, such international outsourcing could aggravate unemployment and workforce dislocation of Missouri and United States residents, including industries and jobs this state has expended resources to attract; and

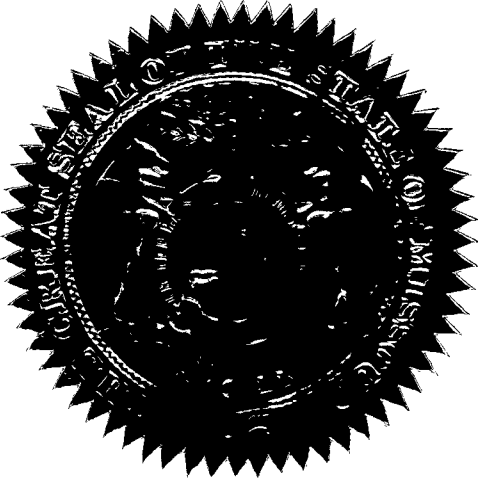
WHEREAS, international outsourcing potentially erodes revenues from the state of Missouri and the United States by drawing away jobs and income; and

WHEREAS, international outsourcing could provide fewer privacy protections for state residents whose personal information may, in the course of service delivery, be transmitted to locations outside the United States.

NOW, THEREFORE, I, BOB HOLDEN, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me as governor of the State of Missouri, do hereby order as follows:

1. Each vendor submitting a bid to the State of Missouri shall be required to provide certification of the location where the contracted services are to be performed, and whether the vendor contemplates any of the work necessary to provide the contracted services being performed offshore.
2. The Office of Administration shall direct all current contractors to disclose whether any work pursuant to existing contracts is being performed offshore.
3. If during the term of the contract, the contractor or subcontractor has certified that work will be performed in the United States and proceeds to shift work outside of the United States, the contractor shall be deemed in breach of contract, unless the Office of Administration shall first have determined in writing that extraordinary circumstances require the shift of work or that a failure to shift the work would result in economic hardship to the State of Missouri.
4. No state agency shall award a contract to a vendor who contemplates performing work (or having a subcontractor perform work) pursuant to the contract at a site outside the United States, or does not provide disclosures as required above, unless one of the following conditions is met:
 - a. The vendor or its subcontractor provides a unique good or service; the particular good or service is deemed mandatory for the purposes of the purchasing agency; and no comparable domestically-provided good or service can adequately duplicate the unique features of the good or service provided by the vendor or its subcontractor; or
 - b. The vendor or its subcontractor is a foreign firm hired to market Missouri services or products to a foreign country; or
 - c. A significant and substantial economic cost factor exists that outweighs the economic impact of providing the function or professional services within the United States, such that a failure to use the vendor or subcontractor's services would result in economic hardship to the State of Missouri; or

- d. The vendor or its subcontractor maintains a significant business presence in the United States and only performs a trivial portion of work under the contract outside of the United States.



ATTEST:

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 17th day of March 2004.

Bob Holden
Governor

Matt Blunt
Secretary of State