

STATE OF NEW YORK

1255

2025-2026 Regular Sessions

IN SENATE

January 8, 2025

Introduced by Sens. ADDABBO, RHOADS -- read twice and ordered printed,
and when printed to be committed to the Committee on Procurement and
Contracts

AN ACT to amend the state finance law, in relation to purchasing
restrictions on persons boycotting Israel; and to amend the retirement
and social security law, in relation to the investment of certain
public funds in companies boycotting Israel

The People of the State of New York, represented in Senate and Assem-
bly, do enact as follows:

- 1 Section 1. The state finance law is amended by adding a new section
2 165-b to read as follows:
3 § 165-b. Purchasing restrictions; persons boycotting Israel. 1. As
4 used in this section, the following definitions shall apply:
5 (a) "Boycott Israel" or "boycott activities" means engaging in actions
6 that are intended to penalize, inflict economic harm on, or otherwise
7 limit commercial relations with the State of Israel or companies based
8 in the State of Israel or in territories controlled by the State of
9 Israel.
10 (b) "Boycott Israel" or "boycott activities" do not include actions
11 necessary to comply with applicable law in the business's home jurisdic-
12 tion.
13 (c) "Person" means:
14 (i) A corporation, company, limited liability company, business, busi-
15 ness association, partnership, society, trust, or any other nongovern-
16 mental entity, organization, or group.
17 (ii) Any successor, subunit, parent entity, or subsidiary of, or any
18 entity under common ownership or control with, any entity described in
19 subparagraph (i) of this paragraph.
20 2. (a) A person that is identified on a list created pursuant to para-
21 graph (b) of this subdivision as a person that boycotts Israel as
22 described in subdivision one of this section, shall not be deemed a

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 responsive bidder or offerer pursuant to section one hundred sixty-three
2 of this article.

3 (b) (i) Not later than one hundred twenty days after the effective
4 date of this section, the commissioner shall develop or contract to
5 develop, using credible information available to the public, including
6 but not limited to information provided by non-profit organizations,
7 research firms, international organizations and government entities, a
8 list of persons it determines boycott Israel as described in subdivision
9 one of this section. If the commissioner has contracted to develop the
10 list, the list shall be finally developed not later than one hundred
11 twenty days after this section shall take effect. Such list, when
12 completed, shall be posted on the website of the office of general
13 services. A statement by a person or representative of a person with
14 apparent authority to make such a statement, that it is participating in
15 a boycott of Israel, or that it has initiated a boycott in response to a
16 request for a boycott of Israel, shall be considered as evidence that a
17 company is participating in a boycott of Israel.

18 (ii) The commissioner shall update the list every one hundred eighty
19 days.

20 (iii) Before finalizing an initial list pursuant to subparagraph (i)
21 of this paragraph or an updated list pursuant to subparagraph (ii) of
22 this paragraph, the commissioner shall do all of the following:

23 (1) Provide ninety days' written notice of the commissioner's intent
24 to include the person on the list. The notice shall inform the person
25 that inclusion on the list would make the person a non-responsive bidder
26 or offerer. The notice shall specify the boycott activities as described
27 in subdivision one of this section, and provide that such person may
28 apply to the commissioner, or to a supreme court, to be removed from
29 such list pursuant to the requirements of this paragraph, if it ceases
30 such activities.

31 (2) In the event a person included by the commissioner on the list to
32 be developed and published in accordance with this paragraph, demon-
33 strates to the commissioner or to a supreme court that such person is
34 not engaged in such boycott activities as described in subdivision one
35 of this section, or has ceased such boycotting activities, the commis-
36 sioner shall remove such person from the list developed and published in
37 accordance with this paragraph.

38 (3) The commissioner shall make a good faith effort to avoid including
39 a person on the list who is not engaged in boycotting the state of Isra-
40 el.

41 (c) Notwithstanding paragraphs (a) and (b) of this subdivision, a
42 state agency may permit a person boycotting Israel as described by
43 subdivision one of this section to be deemed a responsive bidder or
44 offerer, on a case-by-case basis with a state agency if:

45 (i) The boycott activities were made before the effective date of this
46 section, such activities have not been expanded or renewed after the
47 effective date of this section, and the person has adopted, publicized,
48 and is implementing a plan to cease such activities and to refrain from
49 engaging in any new boycott activities; or

50 (ii) The state agency makes a determination that the commodities or
51 services are necessary for the state agency to perform its functions and
52 that, absent such an exemption, the state agency would be unable to
53 obtain the commodities or services for which the contract is offered.
54 Such determination shall be entered into the procurement record.

55 3. (a) A state agency shall require a person that submits a bid or
56 offer in response to a notice of procurement, or that proposes to renew

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1 an existing procurement contract with a state agency or proposes to
2 assume the responsibility of a contractor pursuant to a procurement
3 contract with a state agency or otherwise proposes to enter into a
4 contract with a state agency with respect to a contract for commodities,
5 services, construction, or contracts entered pursuant to section eight
6 of the public buildings law or section thirty-eight of the highway law,
7 to certify, at the time the bid is submitted or the contract is renewed
8 or assigned, that the person or the assignee is not identified on a list
9 created pursuant to paragraph (b) of subdivision two of this section. A
10 state agency shall include certification information in the procurement
11 record.

12 (b) A person that submits a bid or offer in response to a notice of
13 procurement or that proposes to renew an existing procurement contract
14 with a state agency or proposes to assume the responsibility of a
15 contractor pursuant to a procurement contract with a state agency, or
16 otherwise proposes to enter into a contract with a state agency with
17 respect to a contract for commodities, services, construction, or
18 contracts entered pursuant to section eight of the public buildings law
19 or section thirty-eight of the highway law shall not utilize, on the
20 contract with the state agency, any subcontractor that is identified on
21 a list created pursuant to paragraph (b) of subdivision two of this
22 section.

23 4. Upon receiving information that a person who has made the certif-
24 ication required by subdivision three of this section is in violation
25 thereof, the state agency shall review such information and offer the
26 person an opportunity to respond. If the person fails to demonstrate
27 that it has ceased its boycott activities which are in violation of this
28 act within ninety days after the determination of such violation, then
29 the state agency shall take such action as may be appropriate and
30 provided for by law, rule or contract, including, but not limited to,
31 imposing sanctions, seeking compliance, recovering damages or declaring
32 the contractor in default.

33 5. The commissioner shall report to the governor, comptroller, the
34 temporary president of the senate and the speaker of the assembly annu-
35 ally on or before October first, on the status of this section and any
36 rules or regulations adopted thereunder.

37 § 2. The retirement and social security law is amended by adding a new
38 section 423-d to read as follows:

39 § 423-d. Investment of certain public funds in companies boycotting
40 Israel. 1. For purposes of this section:

41 (a) "boycott Israel" means engaging in actions that are intended to
42 penalize, inflict economic harm on, or otherwise limit commercial
43 relations with the State of Israel or companies based in the State of
44 Israel or in territories controlled by the State of Israel.

45 (b) "Boycott Israel" does not include actions necessary to comply with
46 applicable law in the business's home jurisdiction.

47 2. On and after the effective date of this section, no moneys or
48 assets of the common retirement fund shall be invested in the stocks,
49 securities or other obligations of any institution or company boycotting
50 Israel. Notwithstanding any provision of law to the contrary, no assets
51 of any pension or annuity fund under the jurisdiction of the comp-
52 troller, shall be invested in any bank or financial institution which
53 directly or through a subsidiary boycotts Israel and no such assets
54 shall be invested in the stocks, securities or other obligations of any
55 company which directly or through a subsidiary boycotts Israel.

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1 3. The comptroller shall take appropriate action to sell, redeem,
2 divest or withdraw any investment held in violation of the provisions of
3 this section. This section shall not be construed to require the prema-
4 ture or otherwise imprudent sale, redemption, divestment or withdrawal
5 of an investment, but such sale, redemption, divestment or withdrawal
6 shall be completed no later than three years following the effective
7 date of this section.

8 4. Within sixty days after the effective date of this section, the
9 comptroller shall issue a report to the governor, the comptroller, the
10 temporary president of the senate, and the speaker of the assembly and
11 file with the legislature a report of all investments held as of the
12 effective date of this section which are in violation of the provisions
13 of this section. Every year thereafter, the comptroller shall report on
14 all investments sold, redeemed, divested or withdrawn in compliance with
15 this section. Each report after the initial report shall provide a
16 description of the progress which the comptroller has made since the
17 previous report and since the effective date of this section.

18 § 3. This act shall take effect immediately.