

HOUSE BILL No. 2482

AN ACT concerning state contracts; relating to application of contract requirements regarding anti-Israel boycotts; amending K.S.A. 2017 Supp. 75-3740e and 75-3740f and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. The purpose of K.S.A. 2017 Supp. 75-3740e and 75-3740f, and amendments thereto, is to declare that Israel is a prominent trading partner of the state of Kansas and that the state, and those companies that do business by and through the state, in the interest of the state's economic policy, should not boycott trade with Israel. Companies that refuse to deal with United States trade partners such as Israel make discriminatory decisions on the basis of national origin that impair those companies' commercial soundness. Israel is known for its dynamic and innovative approach in many business sectors, and a company's decision to discriminate against persons or entities doing business in Israel or in territories controlled by Israel is an unsound business practice making the company an unduly risky contracting partner. It is also the public policy of the United States, as enshrined in several federal acts, including 50 U.S.C. § 4607, to oppose such boycotts, and congress has concluded as a matter of national trade policy that cooperation with Israel materially benefits United States companies and improves American competitiveness.

Sec. 2. K.S.A. 2017 Supp. 75-3740e is hereby amended to read as follows: 75-3740e. As used in K.S.A. 2017 Supp. 75-3740e and 75-3740f, and amendments thereto:

(a) "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:

(1) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 U.S.C. § 4607(c) applies; or

(2) in a manner that discriminates on the basis of nationality, national origin or religion, and that is not based on a valid business reason;

(b) "company" means ~~a sole proprietorship~~; an organization, association, corporation, partnership, venture or other entity, its subsidiary or affiliate, that exists for profitmaking purposes or to otherwise secure economic advantage; ~~and~~

(c) "contract" means *a written agreement between the state and a company to acquire or dispose of goods or services with an aggregate price of more than \$100,000. "Contract" does not mean a written agreement between the state and an individual to acquire or dispose of goods or services, including employment or consultant services; and*

(d) "state" means this state or an agency, board, commission or department of this state.

Sec. 3. K.S.A. 2017 Supp. 75-3740f is hereby amended to read as follows: 75-3740f. (a) Except as provided in subsection (c), the state shall not enter into a contract with ~~an individual or a company to acquire or dispose of services, supplies, information technology or construction~~, unless such ~~individual or~~ company submits a written certification that such ~~individual or~~ company is not currently engaged in a boycott of *goods or services from Israel that constitutes an integral part of business conducted or sought to be conducted with the state.*

(b) The state may not adopt a procurement, investment or other policy that has the effect of inducing or requiring a person to boycott the government of Israel or its instrumentalities, or to boycott a person doing business in Israel or territories under its jurisdiction, when such boycott is on the basis of such person's location in such places.

(c) The secretary of administration will approve contracts, or may waive application of this section on any contract with any state agency if the secretary determines that compliance is not practicable.

Sec. 4. K.S.A. 2017 Supp. 75-3740e and 75-3740f are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.