

An Act

ENROLLED HOUSE
BILL NO. 3967

By: McBride, Echols, Sanders,
Hardin (David), Boles, West
(Tammy), Mize, Sneed, Hill,
McDugle, Russ, Roberts
(Sean), Randleman, Stark,
Manger, West (Kevin),
Townley and Taylor of the
House

and

Weaver, Bergstrom and Boggs
of the Senate

An Act relating to state contracts; declaring Israel a prominent trading partner; prohibiting state contracts without certain written certification; prohibiting adoption of procurement, investment or other policy that requires a person to boycott the government of Israel; authorizing approval of contracts and waiving of applications; defining terms; providing for codification; and providing an effective date.

SUBJECT: State contracts

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 582 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The State of Oklahoma hereby declares that Israel is a prominent trading partner of the State of Oklahoma 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., Section 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.

B. Except as provided in subsection D of this section, the state shall not enter into a contract with a company unless the company submits a written certification that the 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.

C. The state shall 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.

D. The Oklahoma Secretary of State shall 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.

E. As used in this section:

1. "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:

- a. in compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 U.S.C., Section 4607(c) applies, or

- b. in a manner that discriminates on the basis of nationality, national origin or religion, and that is not based on a valid business reason;

2. "Company" means an organization, association, corporation, partnership, venture or other entity, its subsidiary or affiliate, that exists for profitmaking purposes or to otherwise secure economic advantage;

3. "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 One Hundred Thousand Dollars (\$100,000.00). "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

4. "State" means this state or an agency, board, commission or department of this state.

SECTION 2. This act shall become effective November 1, 2020.

Passed the House of Representatives the 3rd day of March, 2020.

Presiding Officer of the House
of Representatives

Passed the Senate the 15th day of May, 2020.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____

Approved by the Governor of the State of Oklahoma this _____
day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____