PUBLIC CONTRACT REQUIREMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Chris H. Wilson

House Sponsor: Rex P. Shipp

LONG TITLE

General Description:

This bill addresses public entity contract requirements.

Highlighted Provisions:

This bill:

- defines terms;
- subject to exceptions, prohibits a public entity from entering into a contract with a company who engages in certain environmental boycott actions; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

- 63G-27-102, as enacted by Laws of Utah 2021, Chapter 347
- 63G-27-201, as enacted by Laws of Utah 2021, Chapter 347

REPEALS:

- 63G-27-101, as enacted by Laws of Utah 2021, Chapter 347

Be it enacted by the Legislature of the state of Utah:
Section 1. Section 63G-27-102 is amended to read:

CHAPTER 27. PUBLIC CONTRACT BOYCOTT RESTRICTIONS


As used in this chapter:

(1) "Boycott action" means refusing to deal, terminating business activities, or limiting commercial relations.

(2) "Boycott of the State of Israel" means engaging in a boycott action targeting:

(a) the State of Israel; and

(b) (i) companies or individuals doing business in or with the State of Israel; or

(ii) companies authorized by, licensed by, or organized under the laws of the State of Israel to do business.

(3) (a) "Company" means a corporation, partnership, limited liability company, or similar entity.

(b) "Company" includes any wholly-owned subsidiary, majority-owned subsidiary, parent company, or affiliate of an entity described in Subsection (3)(a).

(4) "Environmental boycott" means engaging in a boycott action targeting a company that:

(a) engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuels or fossil fuel byproducts;

(b) engages in production agriculture; or

(c) does not meet or commit to meet environmental standards, including standards for eliminating, reducing, offsetting, or disclosing greenhouse gas-emissions, beyond applicable state and federal law requirements.

(5) "Public entity" means the state or a political subdivision of the state, including each department, division, office, board, commission, council, authority, or institution of the state or a political subdivision of the state.

Section 2. Section 63G-27-201 is amended to read:


(1) Except as provided in Subsection (2), a public entity may not enter into a contract with a company to acquire or dispose of a good or service, including supplies, information technology, or construction services, unless:
(a) the contract includes a written certification that the company is not currently engaged in a boycott of the State of Israel or an environmental boycott; and
(b) the company agrees not to engage in a boycott of the State of Israel or an environmental boycott for the duration of the contract.

(2) This section does not apply to:
(a) a contract with a total value of less than $100,000; or
(b) a contract with a company that has fewer than 10 full-time employees.

Section 3. Repealer.
This bill repeals:
Section 63G-27-101, Title.