

SB0097S01 compared with SB0097

~~text~~ shows text that was in SB0097 but was deleted in SB0097S01.

text shows text that was not in SB0097 but was inserted into SB0097S01.

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Senator Chris H. Wilson proposes the following substitute bill:

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

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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

63G-27-102. Definitions.

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;~~

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~~(a)~~ "Legitimate business purpose" means a purpose that is related to business operations.

(b) "Legitimate business purpose" does not include the purpose of furthering social, political, or ideological interests.

~~(4)~~ (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.

(6) "Subjective boycott" means, without a legitimate business purpose, engaging in a boycott action targeting, or otherwise taking an action intended to penalize, inflict economic harm to, or change or limit the activities of, a company that:

(a) engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, mining, or agriculture;

(b) engages in, facilitates, or supports the manufacture, distribution, sale, or use of firearms;

(c) does not meet or commit to meet corporate board, or employment, composition, compensation, or disclosure criteria that incorporates race, color, sex, religion, ancestry, or national origin;

(d) 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;

(e) does not facilitate or commit to facilitate access to abortion or sex characteristic surgical procedures; or

(f) does business with a company described in Subsections (6)(a) through (e).

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

63G-27-201. Prohibition on contracting.

(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~~ a subjective boycott; and

(b) the company agrees not to engage in a boycott of the State of Israel ~~or an~~

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~~environmental~~; a subjective boycott for the duration of the contract.

(2) This section does not:

(a) apply to:

~~(a)~~ (i) a contract with a total value of less than \$100,000; or

~~(b)~~ (ii) a contract with a company that has fewer than 10 full-time employees~~[-];~~ or

(b) prohibit a public entity from entering into a contract with a company that engages in a subjective boycott if there is no economically practicable alternative available to the public entity to:

(i) acquire or dispose of the good or service; or

(ii) meet the public entity's legal duty to manage debts or funds.

Section 3. **Repealer.**

This bill repeals:

Section **63G-27-101, Title.**