

55 *The following section is affected by a coordination clause at the end of this bill.*

56 Section 2. Section **63G-6a-121** is enacted to read:

57 **63G-6a-121. Specific procurement restrictions relating to forced labor and**  
 58 **restricted foreign entities.**

59 (1) As used in this section:

60 (a) "Forced labor" means labor from a child or an adult that is obtained through the use  
 61 of force or coercion.

62 (b) "Forced labor product" means a product that was made:

63 (i) using forced labor; or

64 (ii) includes a component that was made using forced labor.

65 (c) "Restricted foreign entity" means:

66 (i) a company that is owned or directly controlled by the government of China, Iran,  
 67 North Korea, or Russia;

68 (ii) a company that the United States Secretary of Defense is required to list as a  
 69 military company under the requirements of federal national defense authorization acts;

70 (iii) an affiliate of a company described in Subsection (1)(c)(i) or (1)(c)(ii);

71 (iv) a company, entity, or other subsidiary headquartered in the country with a  
 72 commercial or defense industrial base of which a company described in Subsection (1)(c)(ii) is  
 73 a part; ~~§~~ → [or]

73a (v) a company appearing on the designated entity lists of the United States Department of  
 73b Defense, United States Department of Commerce, or the Federal Communications  
 73c Commission; or ~~←~~ §

74 ~~§~~ → [(v)] (vi) ~~←~~ § a subsidiary of a company described in Subsection (1)(c)(i) ~~§~~ → [or] , ~~←~~ §  
 74a (1)(c)(ii) ~~§~~ → , or (1)(c)(v) ~~←~~ § or a  
 75 country, company, or other entity described in Subsection (1)(c)(iv).

76 (2) (a) Except as provided under Subsection (3), an executive branch procurement unit,  
 77 judicial procurement unit, or legislative procurement unit may not procure:

78 (i) technology or technology services, networks, or systems from a restricted foreign  
 79 entity; or

80 (ii) a forced labor product.

81 (b) (i) A vendor that submits a bid or a proposal to a procurement unit described in  
 82 Subsection (2)(a) for a contract involving technology or technology services, networks, or  
 83 systems, shall certify that the vendor is not a restricted foreign entity.

84 (ii) A vendor that submits a bid or proposal to a procurement unit described in  
 85 Subsection (2)(a) for a contract involving a product shall certify that the product is not a forced

86 labor product.

87 (3) (a) Except as provided under Subsection (3)(b), a procurement unit described in  
88 Subsection (2)(a) shall reject a bid or proposal submitted in violation of Subsection (2).

89 (b) A procurement unit described in Subsection (2)(a) is not required to comply with  
90 the requirements described in Subsection (2) if ~~§~~ :

90a (i) ~~§~~ the procurement unit has determined that there

91 are no other reasonable options for the procurement ~~§~~ [ ] ; or

91a (ii) the product or service, or the contract pertaining to the product or service, was obtained or  
91b entered into before May 1, 2024. ~~§~~

92 (4) The board may make rules in accordance with Chapter 3, Utah Administrative  
93 Rulemaking Act, to address procurement restrictions relating to restricted foreign entities and  
94 forced labor products.

95 Section 3. Section **63G-6a-602** is amended to read:

96 **63G-6a-602. Contracts awarded by bidding.**

97 A procurement unit may award a contract for a procurement item by the bidding  
98 process, in accordance with:

99 (1) the rules of the rulemaking authority; and

100 (2) if applicable, the requirements under Section 63G-6a-121, Specific procurement  
101 restrictions relating to forced labor and restricted foreign entities.

102 Section 4. Section **63G-6a-702** is amended to read:

103 **63G-6a-702. Contracts awarded by request for proposals.**

104 (1) A procurement unit may award a contract for a procurement item by the request for  
105 proposals process, in accordance with:

106 (a) rulemaking authority rules[-]; and

107 (b) if applicable, the requirements under Section 63G-6a-121, Specific procurement  
108 restrictions relating to forced labor and restricted foreign entities.

109 (2) The procurement of architect-engineer services is governed by Part 15, Design  
110 Professional Services.

111 Section 5. **Effective date.**

112 This bill takes effect on May 1, 2024.

113 Section 6. **Coordinating H.B. 404 with S.B. 135.**

114 If H.B. 404, Public Entity Restrictions, and S.B. 135, Advanced Air Mobility and