

IN THE SENATE

SENATE BILL NO. 1291

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO STATE GOVERNMENT AND STATE AFFAIRS; AMENDING CHAPTER 23, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-2347A, IDAHO CODE, TO PROHIBIT CONTRACTS WITH COMPANIES BOYCOTTING CERTAIN SECTORS; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 23, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-2347A, Idaho Code, and to read as follows:

67-2347A. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING CERTAIN SECTORS. (1) Except as provided in subsection (2) of this section, a public entity may not enter into a contract with a company for goods or services unless the contract contains a written certification from the company that it is not currently engaged in, and will not for the duration of the contract engage in, a boycott of any individual or company because the individual or company:

(a) Engages in or supports the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, minerals, hydroelectric power, nuclear energy, or agriculture; or

(b) Engages in or supports the manufacture, distribution, sale, or use of firearms, as defined in section 18-3302(2)(d), Idaho Code.

(2) Subsection (1) of this section shall not apply to a public entity that determines that the requirements of subsection (1) of this section are inconsistent with the public entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds. Subsection (1) of this section also does not apply to a public entity that determines that the requirements of subsection (1) of this section would be, with respect to a specific contract, contrary to the business needs of the public entity and would prevent the public entity from fulfilling its legal duties or obligations.

(3) This section applies only to a contract that:

(a) Is between a public entity and a company with ten (10) or more full-time employees; and

(b) Has a value of one hundred thousand dollars (\$100,000) or more that is to be paid wholly or partly from public funds of the public entity.

(4) As used in this section:

(a) "Boycott" means, without a reasonable business purpose, refusing to deal with an individual or organization, terminating business with an individual or organization, or taking another action that is intended to penalize, inflict economic harm on, or limit commercial

1 relations with an individual or organization because the individual or
2 organization:

3 (i) Engages in a particular business sector;

4 (ii) Engages in a particular business sector and does not commit
5 or pledge to meet standards beyond applicable federal and state
6 law; or

7 (iii) Does business with an individual or organization that en-
8 gages in a particular business sector.

9 (b) "Company" means any for-profit or nonprofit organization, associ-
10 ation, corporation, partnership, joint venture, limited partnership,
11 limited liability partnership, limited liability company, or other en-
12 tity or business association, including all wholly owned subsidiaries,
13 majority-owned subsidiaries, parent companies, or affiliates of those
14 entities or business associations.

15 (c) "Public entity" means the state of Idaho or any political subdi-
16 vision thereof, including all boards, commissions, agencies, institu-
17 tions, authorities, and bodies politic and corporate of the state, cre-
18 ated by or in accordance with state laws or regulations.

19 (d) "Reasonable business purpose" means any purpose directly related
20 to:

21 (i) Promoting the financial success or stability of the company;

22 (ii) Mitigating risk to the company;

23 (iii) Complying with legal or regulatory requirements; or

24 (iv) Limiting liability of the company.

25 (5) The provisions of this section shall apply to contracts executed
26 on and after July 1, 2024. Upon discovering that a contract fails to comply
27 with the provisions of this section, the contracting authority shall have a
28 period of ninety (90) days to obtain the written certification described in
29 subsection (1) of this section. After such time, any contract continuing to
30 violate the provisions of this section shall be void. Any contract executed
31 prior to July 1, 2024, that violates the provisions of this section shall not
32 be renewed unless the contracting authority obtains the written certifica-
33 tion described in subsection (1) of this section.

34 SECTION 2. An emergency existing therefor, which emergency is hereby
35 declared to exist, this act shall be in full force and effect on and after
36 July 1, 2024.