HB239
173934-1

By Representatives Gaston, Butler, Tuggle, Johnson (K), Hill (M), Weaver, Rowe, Ledbetter, Standridge, Sessions, Pringle, Davis, Robinson, Scott, Williams (JW), Wilcox, Pettus, Drake, Faust, Hubbard, Carns, Hill (J), Brown, Holmes (M), Clouse, Lee, Ford, Martin, Warren, Drummond, McMillan, Harbison, Shedd, Sanderford, Rich, Shiver, Polizos, Boothe, Greer, Clarke, Forte, Moore (B), Hammon, Baker, Williams (JD), Ball, Collins, Ainsworth, Garrett, Chesteen, McCutcheon, Beech, South, Nordgren, Beckman, Wadsworth, Sells, Wood, Faulkner, Ingram, Black, Patterson, Poole, Mooney, Fridy and Wingo

RFD: State Government

First Read: 16-FEB-16
SYNOPSIS: This bill would prohibit a governmental entity from entering into certain contracts with business entities unless the contract includes a representation that the business entity is not currently engaged in, and an agreement that the business entity will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

A BILL

TO BE ENTITLED

AN ACT

Relating to public contracts; to prohibit a governmental entity from entering into certain contracts with a business entity unless the contract includes a representation that the business is not currently engaged in, and an agreement that the business will not engage in, the boycott of a person or an entity based in or doing business
with a jurisdiction with which this state can enjoy open trade; and to provide exceptions.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) For the purposes of this section, the following terms shall have the following meanings:

(1) BOYCOTT. To blacklist, divest from, or otherwise refuse to deal with a person or business entity when the action is based on race, color, religion, gender, or national origin of the targeted person or entity or is based on a jurisdiction with which this state can enjoy open trade and with which the targeted person or entity is doing business.

(2) BUSINESS ENTITY. A corporation, partnership, limited liability company, organization, or other legal entity conducting or operating any trade or business in Alabama or a corporation, organization, or other legal entity operating in Alabama that is exempt from taxation under Section 501(C)(3) or (4) of the Internal Revenue Code.

(3) GOVERNMENTAL ENTITY. The state or any political subdivision thereof, or any department, agency, board, commission, or authority of the state, or any political subdivision, or any public corporation, authority, agency, board, commission, state college, or university, municipality, or other governmental entity controlled by the state or any political subdivision.

(4) JURISDICTION WITH WHICH THIS STATE CAN ENJOY OPEN TRADE. Includes World Trade Organization members and those with which the United States has free trade or other
agreements aimed at ensuring open and nondiscriminatory trade
relations.

(b) Subject to subsection (c), a governmental entity
may not enter into a contract governed by Title 39 or Chapter
16, Title 41, Code of Alabama 1975, with a business entity
unless the contract includes a representation that the
business entity is not currently engaged in, and an agreement
that the business entity will not engage in, the boycott of a
person or an entity based in or doing business with a
jurisdiction with which this state can enjoy open trade.

(c)(1) This section does not apply if a business
fails to meet the requirements of subsection (b) but offers to
provide the goods or services for at least 20 percent less
than the lowest certifying business entity.

(2) This section does not apply to contracts with a
total potential value of less than fifteen thousand dollars
($15,000).

Section 2. This act shall become effective on the
first day of the third month following its passage and
approval by the Governor, or its otherwise becoming law.