

1 SB81
2 171526-2
3 By Senator Orr
4 RFD: Judiciary
5 First Read: 02-FEB-16

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

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 Relating to public contracts; to prohibit a
23 governmental entity from entering into certain contracts with
24 a business entity unless the contract includes a
25 representation that the business is not currently engaged in,
26 and an agreement that the business will not engage in, the
27 boycott of a person or an entity based in or doing business

1 with a jurisdiction with which this state can enjoy open
2 trade; and to provide exceptions.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

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

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

25 (4) JURISDICTION WITH WHICH THIS STATE CAN ENJOY
26 OPEN TRADE. Includes World Trade Organization members and
27 those with which the United States has free trade or other

1 agreements aimed at ensuring open and nondiscriminatory trade
2 relations.

3 (b) Subject to subsection (c), a governmental entity
4 may not enter into a contract governed by Title 39 or Chapter
5 16, Title 41, Code of Alabama 1975, with a business entity
6 unless the contract includes a representation that the
7 business entity is not currently engaged in, and an agreement
8 that the business entity will not engage in, the boycott of a
9 person or an entity based in or doing business with a
10 jurisdiction with which this state can enjoy open trade.

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

15 (2) This section does not apply to contracts with a
16 total potential value of less than fifteen thousand dollars
17 (\$15,000).

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