

HOUSE BILL NO. 1368

Introduced by

Representatives K. Anderson, Bellew, M. Ruby, Strinden, Timmons, Tveit

Senators Clemens, Kannianen, Myrdal

1 A BILL for an Act to create and enact a new section to chapter ~~21-10~~54-06 and a new section to
2 chapter ~~44-08~~54-44.4 of the North Dakota Century Code, relating to ~~a prohibition on~~
3 ~~investments and~~ contracts with companies that boycott Israel and a prohibition on investments.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 ~~SECTION 1. A new section to chapter 21-10 of the North Dakota Century Code is created~~
6 ~~and enacted as follows:~~

7 ~~**Investments - Prohibition - Israel boycott.**~~

8 ~~1. As used in this section, "boycott Israel" means engaging in refusals to deal,~~
9 ~~terminating business activities, or other similar commercial actions intended to limit~~
10 ~~commercial relations with persons doing business in Israel or in Israeli-controlled~~
11 ~~territories when the actions are taken:~~

12 ~~a. In compliance or adherence to calls for a boycott of Israel, other than those~~
13 ~~boycotts under Public Law No. 96-72 [50 U.S.C. 2407(e)]; or~~

14 ~~b. In a manner that discriminates on the basis of nationality, national origin, religion,~~
15 ~~or other unreasonable basis.~~

16 ~~2. Notwithstanding any other provision of law, the state investment board may not adopt~~
17 ~~any investment policy that would have the effect of requiring or inducing any person to~~
18 ~~boycott Israel.~~

19 ~~3. This section does not apply to a contract with a value of less than one hundred~~
20 ~~thousand dollars or with a company having fewer than ten full-time employees.~~

21 ~~4. For purposes of determining whether a company boycotts Israel, a company~~
22 ~~statement that it is participating in boycotts of Israel or that it has taken the boycott~~
23 ~~action at the request, in compliance with, or in furtherance of calls for a boycott of~~

~~Israel, can be considered as one type of evidence that a company is participating in a
boycott of Israel when accompanied with the conduct described under subsection 1.~~

SECTION 1. A new section to chapter 54-06 of the North Dakota Century Code is created and enacted as follows:

Investments - Prohibition - Israel boycott.

1. As used in this section "boycott Israel" means engaging in refusals to deal, terminating business activities, or other similar commercial actions intended to limit commercial relations with persons doing business in Israel or in Israeli-controlled territories when the actions are taken:

- a. In compliance or adherence to calls for a boycott of Israel, other than those boycotts under Pub. L. No. 96-72 [50 U.S.C. 2407(c)]; or
- b. In a manner that discriminates on the basis of nationality, national origin, or religion.

2. Notwithstanding any other provision of law, the state may not adopt any investment policy that would have the effect of requiring or inducing any person to boycott Israel.

3. For purposes of determining whether a company boycotts Israel, a company statement that it is participating in boycotts of Israel or that it has taken the boycott action at the request, in compliance with, or in furtherance of calls for a boycott of Israel, can be considered as one type of evidence that a company is participating in a boycott of Israel when accompanied with the conduct described under subsection 1. An expressive activity directed at a specific person or a governmental action may not be considered evidence of a boycott of Israel.

~~**SECTION 2.** A new section to chapter 44-08 of the North Dakota Century Code is created and enacted as follows:~~

SECTION 2. A new section to chapter 54-44.4 of the North Dakota Century Code is created and enacted as follows:

Purchasing contracts - Prohibition - Israel boycott.

1. As used in this section:

- a. "Boycott Israel" means engaging in refusals to deal, terminating business activities, or other similar commercial actions intended to limit commercial

1 relations with persons doing business in Israel or in Israeli-controlled territories
2 when the actions are taken:

3 (1) In compliance or adherence to calls for a boycott of Israel, other than those
4 boycotts under Public Law No. 96-72 [50 U.S.C. 2407(c)]; or

5 (2) In a manner that discriminates on the basis of nationality, national origin, or
6 religion, ~~or other unreasonable basis.~~

7 b. "Company" means any organization, association, corporation, partnership, joint
8 venture, limited partnership, limited liability company, or other entity or business
9 association, including a wholly owned subsidiary, majority-owned subsidiary,
10 parent company, or affiliate which has more than ten full-time employees.

11 ~~c. "Public entity" means the state or any political subdivision of the state, including~~
12 ~~all boards, commissions, agencies, institutions, authorities, and bodies of the~~
13 ~~state created by or in accordance with state law, including institutions under the~~
14 ~~control of the state board of higher education and the public employees~~
15 ~~retirement system.~~

16 2. ~~Notwithstanding any other provision of law, a public entity may not enter a contract~~
17 ~~with a company to acquire or dispose of services, supplies, information technology, or~~
18 ~~construction unless the contract includes a written certification that the company is not~~
19 ~~engaged in, and agrees for the duration of the contract to not engage in, a boycott of~~
20 ~~goods or services from Israel.~~

21 ~~3. This section does not apply to a contract with a value of less than one hundred~~
22 ~~thousand dollars.~~

23 ~~4. For purposes of determining whether a company boycotts Israel, a company~~
24 ~~statement that it is participating in boycotts of Israel or that it has taken the boycott~~
25 ~~action at the request, in compliance with, or in furtherance of calls for a boycott of~~
26 ~~Israel, can be considered as one type of evidence that a company is participating in a~~
27 ~~boycott of Israel when accompanied with the conduct described under subsection 1.A.~~
28 state entity that enters a contract that includes a provision prohibiting discrimination
29 shall require the contract to include a provision prohibiting a party to the contract from
30 boycotting Israel for the duration of the contract. Failure to comply with this subsection
31 does not affect the enforceability of a contract.