

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED 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 54-06 and a new section to
2 chapter 54-44.4 of the North Dakota Century Code, relating to contracts with companies that
3 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 54-06 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, terminating
9 business activities, or other similar commercial actions intended to limit commercial
10 relations with persons doing business in Israel or in Israeli-controlled territories when
11 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(c)]; or
- 14 b. In a manner that discriminates on the basis of nationality, national origin, or
15 religion.
- 16 2. Notwithstanding any other provision of law, the state may not adopt any investment
17 policy that would have the effect of requiring or inducing any person to boycott Israel.
- 18 3. If the state receives evidence that a company boycotts Israel, the state shall determine
19 whether the company boycotts Israel. If accompanied by the conduct described under
20 subsection 1, a company statement that indicates the company is participating in a
21 boycott of Israel or has taken boycott action at the request, in compliance with, or in
22 furtherance of calls for a boycott of Israel, may be considered as one type of evidence
23 that the company is participating in a boycott of Israel. An expressive activity, alone,

1 directed at a specific person or a governmental action may not be considered
2 evidence of a boycott of Israel.

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

5 **Purchasing contracts - Prohibition - Israel boycott.**

6 1. As used in this section:

7 a. "Boycott Israel" means engaging in refusals to deal, terminating business
8 activities, or other similar commercial actions intended to limit commercial
9 relations with persons doing business in Israel or in Israeli-controlled territories
10 when the actions are taken:

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

13 (2) In a manner that discriminates on the basis of nationality, national origin, or
14 religion.

15 b. "Company" means any organization, association, corporation, partnership, joint
16 venture, limited partnership, limited liability company, or other entity or business
17 association, including a wholly owned subsidiary, majority-owned subsidiary,
18 parent company, or affiliate.

19 2. A state entity that enters a contract that includes a provision prohibiting discrimination
20 shall require the contract to include a provision prohibiting a party to the contract from
21 boycotting Israel for the duration of the contract. The office of management and
22 budget or purchasing agency may waive the requirement in this subsection if the
23 waiver is in the best interest of the state. A waiver under this subsection may not affect
24 the enforceability of a contract.

25 3. If the state receives evidence that a company boycotts Israel, the state shall determine
26 whether the company boycotts Israel. If accompanied by the conduct described under
27 subsection 1, a company statement that indicates the company is participating in a
28 boycott of Israel or has taken boycott action at the request, in compliance with, or in
29 furtherance of calls for a boycott of Israel, may be considered as one type of evidence
30 that the company is participating in a boycott of Israel. An expressive activity, alone,

- 1 directed at a specific person or a governmental action may not be considered
2 evidence of a boycott of Israel.
- 3 4. This section does not apply to:
- 4 a. A contract with a value of less than one hundred thousand dollars; or
5 b. A contract with a company that has fewer than ten full-time employees.