## SENATE BILL NO. 377

## 102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR COLEMAN.

1601S.01I KRISTINA MARTIN, Secretary

## **AN ACT**

To amend chapter 34, RSMo, by adding thereto one new section relating to prohibiting public entities from entering into contracts with companies engaged in economic boycotts.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 34, RSMo, is amended by adding thereto

- 2 one new section, to be known as section 34.650, to read as
- 3 follows:
  - 34.650. 1. A public entity shall not enter into a
- 2 contract with a company to acquire or dispose of services,
- 3 supplies, information technology, or construction unless the
- 4 contract includes a written certification that the company
- is not currently engaged in and shall not, for the duration
- of the contract, engage in any kind of economic boycott.
- 7 This section shall not apply to contracts with a total
- 8 potential value of less than one hundred thousand dollars or
- 9 to contractors with fewer than ten employees.
- 2. As used in this section, the following terms and
- 11 phrases mean:
- 12 (1) "Company", any for-profit or not-for-profit
- 13 organization, association, corporation, partnership, joint
- 14 venture, limited partnership, limited liability partnership,
- 15 limited liability company, or other entity or business
- 16 association, including all wholly owned subsidiaries,
- 17 majority-owned subsidiaries, parent companies, or affiliates
- 18 of those entities or business associations:

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- 19 (2) "Economic boycott", refusing to deal with,
  20 terminating business activities with, or otherwise taking
  21 any commercial action that is intended to penalize, inflict
  22 economic harm on, limit commercial relations with, or change
  23 or limit the activities of a company because the company,
  24 without violating controlling federal or state law:
- 25 (a) Engages in the exploration, production, 26 utilization, transportation, sale, or manufacturing of, 27 fossil fuel-based energy, timber, mining, or agriculture;
- 28 (b) Engages in, facilitates, or supports the
  29 manufacture, import, distribution, marketing or advertising,
  30 sale, or lawful use of firearms, ammunition or component
  31 parts and accessories of firearms or ammunition;
- 32 (c) Does not meet, is not expected to meet, or does 33 not commit to meet environmental standards or disclosure 34 criteria, in particular to eliminate, reduce, offset, or 35 disclose greenhouse gas emissions;
- 36 (d) Does not meet, is not expected to meet, or does 37 not commit to meet any specified criteria with respect to 38 the compensation and composition of the company's corporate 39 board and the employees of the company;
- 40 (e) Does not facilitate, is not expected to
  41 facilitate, or does not commit to facilitate access to
  42 abortion, sex or gender change, or transgender surgery or
  43 medical treatments; or
- (f) Does business with a company that engages in or
  does not meet one or more of the criteria listed in
  paragraphs (a) to (e) of this subdivision.
- 47 (3) "Public entity", the state of Missouri or any
  48 political subdivision thereof, including all boards,
  49 commissions, agencies, institutions, authorities, and bodies

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50 politic and corporate of the state created by or in 51 accordance with state law or regulations.

- 3. Any contract that fails to comply with the provisions of this section shall be void against public policy.
  - 4. The commissioner of administration or his or her designee may promulgate regulations to implement the provisions of this section, so long as they are consistent with this section and do not create any exceptions. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority of this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

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