CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2482** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 7 through 36;

By striking all on pages 2 through 9;

On page 10, by striking all in lines 1 through 21;

Also, on page 10, following line 21, by inserting:

"New Section 1. The purpose of K.S.A. 2017 Supp. 75-3740e and 75-3740f, and amendments thereto, is to declare that Israel is a prominent trading partner of the state of Kansas and that the state, and those companies that do business by and through the state, in the interest of the state's economic policy, should not boycott trade with Israel. Companies that refuse to deal with United States trade partners such as Israel make discriminatory decisions on the basis of national origin that impair those companies' commercial soundness. Israel is known for its dynamic and innovative approach in many business sectors, and a company's decision to discriminate against persons or entities doing business in Israel or in territories controlled by Israel is an unsound business practice making the company an unduly risky contracting partner. It is also the public policy of the United States, as enshrined in several federal acts, including 50 U.S.C. § 4607, to oppose such boycotts, and congress has concluded as a matter of national trade policy that cooperation with Israel materially benefits United States companies and improves American competitiveness.

Sec. 2. K.S.A. 2017 Supp. 75-3740e is hereby amended to read as follows: 75-3740e. As used in K.S.A. 2017 Supp. 75-3740e and 75-3740f, and amendments thereto:

(a) "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:

(1) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 U.S.C. § 4607(c) applies; or

(2) in a manner that discriminates on the basis of nationality, national origin or religion, and that is not based on a valid business reason;

(b) "company" means a sole proprietorship, an organization, association, corporation, partnership, venture or other entity, its subsidiary or affiliate, that exists for profitmaking purposes or to otherwise secure economic advantage; and

(c) <u>"contract" means a written agreement between the state and a company to acquire or</u> <u>dispose of goods or services with an aggregate price of more than \$100,000. "Contract" does not</u> <u>mean a written agreement between the state and an individual to acquire or dispose of goods or</u> <u>services, including employment or consultant services; and</u>

(d) "state" means this state or an agency, board, commission or department of this state.

Sec. 3. K.S.A. 2017 Supp. 75-3740f is hereby amended to read as follows: 75-3740f. (a) Except as provided in subsection (c), the state shall not enter into a contract with-anindividual or a company to acquire or dispose of services, supplies, information technology or eonstruction, unless such-individual or company submits a written certification that such individual or company is not currently engaged in a boycott of goods or services from Israel that

-2-

```
constitutes an integral part of business conducted or sought to be conducted with the state.
```

(b) The state may not adopt a procurement, investment or other policy that has the effect of inducing or requiring a person to boycott the government of Israel or its instrumentalities, or to boycott a person doing business in Israel or territories under its jurisdiction, when such boycott is on the basis of such person's location in such places.

(c) The secretary of administration will approve contracts, or may waive application of this section on any contract with any state agency if the secretary determines that compliance is not practicable.";

Also on page 10, in line 22, by striking all after "Supp."; in line 23, by striking "41-2640" and inserting "75-3740e and 75-3740f";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking "consumption" and inserting "state contracts; relating to application of contract requirements regarding anti-Israel boycotts"; also in line 3, by striking all after "Supp."; also in line 4, by striking all before the second "and" and inserting "75-3740e and 75-3740f";

-3-

And your committee on conference recommends the adoption of this report.

Conferees on part of Senate

Conferees on part of House