

SESSION OF 2018

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2778**

As Recommended by House Committee on  
Federal and State Affairs

**Brief\***

HB 2778 would amend law related to contracts between the State and persons or companies who are actively engaged in a boycott of Israel.

Current law precludes the State from entering into contracts with either an individual or a company to acquire or dispose of services, supplies, information technology, or construction unless the individual or company submits written certification that such individual or company is not currently engaged in a boycott of Israel. Current law also precludes the State from adopting a procurement, investment, or other policy that has the effect of inducing or requiring a person to boycott Israel, or to boycott a person doing business in Israel when such boycott is based upon the person's location.

The bill would amend the definition of "company" to include an organization, association, corporation, partnership, venture, other entity, or its subsidiary or affiliate that exists for profitmaking purposes or to otherwise secure economic advantage.

The bill would define "contract" to mean a written agreement between the State and a company to acquire or dispose of goods or services with an aggregate price of more than \$100,000. It would not include a written agreement between the State and an individual to acquire or dispose of goods or services, including employment or consultant services.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The bill would further clarify that the State could not enter into contracts with companies unless such company submits written certification that the company is not engaged in a boycott of goods or services from Israel that constitutes an integral part of business conducted or sought to be conducted with the State.

### **Background**

The bill was introduced by the House Committee on Federal and State Affairs. In the House Committee hearing, proponent testimony was presented by Representative Finch and two private citizens. Written-only proponent testimony was provided by Representative Sutton, the Kansas Attorney General, and representatives of the Rohr Chabad Center for Jewish Life and the Zachor Legal Institute. Written-only opponent testimony was provided by the American Civil Liberties Union of Kansas.

According to the Division of the Budget, a fiscal note on the bill was not immediately available at the time the House Committee took action on the bill.