

#### FIRST REGULAR SESSION

# ONE HUNDRED AND TENTH LEGISLATURE

# **Legislative Document**

No. 482

H. P. 435 Referred to the Committee on State Government. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Brenerman of Portland. Cosponsors: Representative Nelson of Portland, Senator Wood of York.

## STATE OF MAINE

### IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

# AN ACT to Discourage State Purchasing from Participants in International Boycotts.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 5 MRSA § 1816, sub-§ 11 is enacted to read:

11. Participants in international boycotts. Purchases from participants in international boycotts shall be treated in accordance with the following provisions.

A. No supplier may be considered a responsible bidder it it, or its parent, or any affiliate or subsidiary is in violation of the international boycott provisions of the United States Export Administration Act of 1969, as amended, or the rules adopted thereunder.

B. It shall be a condition of every contract for state purchases that, during the term of the contract, neither the supplier, nor its parent, or any affiliate or subsidiary is in violation of the international boycott provisions of the United States Export Administration Act of 1969, as amended, or the rules adopted thereunder. If it is finally determined by a federal agency or court having jurisdiction that, during the term of the contract, a supplier has violated the international boycott provisions of the United States Export Administration Act of 1969, as amended, or the rules adopted the international boycott provisions of the United States Export Administraton Act of 1969, as amended, or the rules adopted thereunder, the supplier shall be deemed to have breached a material condition and the contract shall be void.

Sec. 2. Application. This Act shall apply only to those contracts for state purchases entered into after the effective date of this Act.

### STATEMENT OF FACT

Congress has enacted legislation prohibiting American businesses from participating in the Arab economic boycott of Israel. As a matter of principle, this State should not allow those firms who violate the anti-boycott law to profit from state purchases. In addition, the State can help deter violations of this important federal law by refusing to do business with these lawbreakers. This bill does 2 things: 1. It provides that anyone in violation of the federal anti-boycott law is not a "responsible bidder" under state law and accordingly is not eligible to bid on or receive contracts for state purchases, and 2. It makes compliance with the federal anti-boycott law a material condition of every contract for state purchases.