Policy: 7402 Section 7000: Fiscal

Management

## POLICY TITLE: RESTRICTIONS ON CONTRACTS

## **Entities Boycotting Israel**

For all contracts the Agency enters into after July 1, 2021 to acquire or dispose of services, supplies, information technology, or construction:

1. For greater than \$100,000; and

2. With a company that employs ten or more people

the Agency shall include the following written certification in such contract:

"Section 67-2346, Idaho Code, prohibits COSSA from contracting with any company (of more than ten employees) that engages in a boycott of Israel. Per Section 67-2346, such a boycott means 'engaging in refusals to deal, terminating business activities, or other actions that are intended to discriminate against, inflict economic harm, or otherwise limit commercial relations specifically with the state of Israel or territories under its control, or persons or entities doing business in the state of Israel or territories under its control.' By entering into this agreement, we acknowledge that we do not currently engage in – and will not engage in during the duration of this contract – a boycott against the State of Israel or its territories."

## Entities Owned or Operated by the Government of China

Any contract the Agency enters into after July 1, 2023, for any services, supplies, information technology, or construction, shall include the following written certification:

"Section 67-2359, Idaho Code, prohibits the COSSA from contracting with any company unless it certifies that it is not currently owned or operated by the government of China – either in whole or in part – and will not be for the duration of the contract. By entering into this agreement, we affirm this company is not currently owned or operated by the government of China – either in whole or in part – and will not be for the duration of the contract."

### Entities Boycotting Supporters of Specified Industries

For all contracts the Agency enters into for goods and services after July 1, 2024:

- 1. For greater than \$100,000; and
- 2. With a company that employs ten or more people

the Agency shall include the following written certification in such contract:

"Section 67-2347A, Idaho Code, prohibits the COSSA from contracting with any company (of more than ten employees) that engages in a boycott of any individual or company because the individual or company:

- 1. Engages in or supports the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, minerals, hydroelectric power, nuclear energy, or agriculture; or
- 2. Engages in or supports the manufacture, distribution, sale, or use of firearms, as defined in section 18-3302(2)(d), Idaho Code.

Per Section 67-2346, such a boycott means 'without a reasonable business purpose, refusing to deal with an individual or organization, terminating business with an individual or organization, or taking another action that is intended to penalize, inflict economic harm on, or limit commercial relations with an individual or organization because the individual or organization:

- 1. Engages in a particular business sector;
- 2. Engages in a particular business sector and does not commit or pledge to meet standards beyond applicable federal and state law; or
- 3. Does business with an individual or organization that engages in a particular business sector.'

By entering into this agreement, we acknowledge that we do not currently engage in – and will not engage in during the duration of this contract – a boycott of the individuals or companies listed above."

This requirement shall not apply if:

- 1. The Agency Board of Trustees determines that these requirements are inconsistent with their constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.
- 2. The Board determines that these requirements would be, with respect to a specific contract, contrary to the Agency's business needs and would prevent the Agency from fulfilling its legal duties or obligations.

#### Contracts in Violation

If the Agency has entered or enters into a contract that does not include the required certifications subsequent to the applicable deadlines above, the Agency has a period of 90 days from discovery of this status to obtain the required certification. If the Agency fails to obtain such certification within the 90-day period, as a matter of law the contract is declared void.

For all contracts entered into by the Agency prior to the applicable deadlines above that do not contain the required certifications, the Agency shall not renew such contract without inclusion of the required certifications.

| Legal References | Description   |
|------------------|---|
| IC § 67-2346     | Anti-Boycott Against Israel Act                                     |
| IC § 67-2347A    | Prohibition on Contracts with Companies Boycotting Certain Sectors  |
| IC § 67-2359     | Contract With a Company Owned by the Government of China Prohibited |

# **Policy History:**

Adopted: September 16, 2024