

45A.607 Required contract provision restricting contractor from participating in certain boycott actions -- Exceptions -- Administrative regulations.

- (1) As used in this section:
 - (a) "Boycott" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with:
 1. A jurisdiction with which Kentucky can enjoy open trade; or
 2. A person or entity doing business with a jurisdiction with which Kentucky can enjoy open trade; but"boycott" does not mean an action taken for bona fide business or economic reasons or that is specifically required by federal or state law; and
 - (b) "Jurisdiction with which Kentucky can enjoy open trade" means:
 1. Any World Trade Organization member; and
 2. Any jurisdiction with which the United States has free trade or other agreements aimed at ensuring open and nondiscriminatory trade relations.
- (2) A governmental body shall not enter into a contract under this chapter with a contractor unless the contract includes a representation by the contractor that the contractor is not currently engaged in, and will not for the duration of the contract engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which Kentucky can enjoy open trade. This subsection shall not apply to a:
 - (a) Contract with a value of less than one hundred thousand dollars (\$100,000); or
 - (b) Contractor who:
 1. Is an individual; or
 2. Employs five (5) or fewer employees.
- (3) A governmental body may terminate a contract with a contractor for:
 - (a) A false representation made under subsection (2) of this section; or
 - (b) Engaging in a boycott at the time of entering into the contract or during the duration of the contract.
- (4) A request for proposal, invitation to bid, or other document issued by a governmental body with the intent of soliciting responses for the potential award of a contract shall include notice of the requirements under this section.
- (5) The secretary shall promulgate administrative regulations under KRS Chapter 13A for the administration of this section.

Effective: March 25, 2019

History: Created 2019 Ky. Acts ch. 58, sec. 1, effective March 25, 2019.