



# Ohio Legislative Service Commission

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## Bill Analysis

Cody Weisbrodt

### **Am. H.B. 476**

131st General Assembly  
(As Passed by the House)

**Reps.** Schuring, Rosenberger, Strahorn, Amstutz, Boyce, Brown, Celebrezze, Cera, Derickson, Driehaus, Hayes, McClain, Slesnick, Sprague, Buchy, Anielski, Antani, Barnes, Boyd, Brenner, Craig, Dever, Dovilla, Ginter, Goodman, T. Johnson, Leland, Maag, Merrin, Perales, Roegner, Romanchuk, R. Smith, Sweeney, Terhar, Thompson, Young, Zeltwanger

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## **BILL SUMMARY**

### **State contracts and boycotting Israel**

- Prohibits state agencies from entering into or renewing contracts with companies for certain supplies and services if the companies do not declare that they are not boycotting Israel, and will not do so during the contract period.
- Defines "boycotting Israel" as engaging in refusals to deal, terminating business activities, or other actions intended to limit commercial relations with Israel or Israeli-controlled territories in a discriminatory manner.
- Exempts boycotts to which 50 U.S.C. 4607(c), which preempts state regulation of specific foreign boycotts in favor of federal regulations, applies.

### **Foreign debt cap**

- Raises the foreign debt cap for investments for interim funds of the state, county inactive funds, and public library funds from 1% to 2%.

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## **CONTENT AND OPERATION**

### **State contracts and boycotting Israel**

The bill prohibits state agencies from entering into or renewing current contracts for the acquisition or provision of supplies, equipment, or services, or contracts for

construction services, with companies unless the company declares that they are not boycotting Israel.<sup>1</sup>

Under the bill, a company is boycotting Israel if the company refuses to deal with, terminates business activities, or otherwise engages in activities that are intended to limit commercial relations with Israel, or people or entities doing business in Israel or Israeli-controlled territories in a discriminatory manner.<sup>2</sup> The bill specifically exempts from the definition of "boycotting Israel" boycotts to which 50 U.S.C. 4607(c) applies. That provision of the United States Code preempts state laws with respect to foreign boycotts regulated by the federal government.<sup>3</sup>

## Foreign debt cap

The bill raises the cap on the percentage of foreign debt in which the interim funds of the state, county inactive funds, and public library funds may invest their portfolios.<sup>4</sup> Under the bill, this cap on foreign investment is increased from 1% to 2% of a fund's portfolio. Under current law, these funds are not permitted to hold more than 1% of their portfolios in foreign investments.

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## HISTORY

ACTION	DATE
Introduced	02-24-16
Reported, H. Gov't Accountability & Oversight	05-18-16
Passed House (83-13)	11-29-16

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<sup>1</sup> R.C. 9.75(B).

<sup>2</sup> R.C. 9.75(A).

<sup>3</sup> 50 U.S.C. 4607(c), not in the bill.

<sup>4</sup> R.C. 135.143(A)(10)(b) and 135.35(A)(10).

