

STATE OF NEW YORK

10970

IN ASSEMBLY

April 14, 2026

Introduced by M. of A. VALDEZ -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the state finance law, in relation to boycott-based adverse actions by affected state entities and public retirement systems

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Legislative findings. Divestment of public funds, or
2 precluding entities from contracting with the state, based on partic-
3 ipation in a political boycott carries significant economic, political
4 and constitutional implications. Such decisions are the province of the
5 legislature, and not appropriately accomplished by unilateral executive
6 action.

7 Executive Order 157, issued June 5, 2016, directed state agencies and
8 authorities to divest public funds from and exclude from state contract-
9 ing entities identified as participating in the Boycott, Divestment and
10 Sanctions ("BDS") movement. This action was taken outside of the deli-
11 berative processes through which such consequential policy judgements
12 should be made.

13 The legislature takes no position on the merits of any political
14 boycott. It acts solely to restore the proper constitutional order
15 under which the legislature authorizes the use of public investment and
16 procurement power for political or economic purposes.

17 § 2. The state finance law is amended by adding a new section 139-n to
18 read as follows:

19 § 139-n. Boycott-based adverse actions by affected state entities and
20 public retirement systems. 1. Definitions. For the purposes of this
21 section, the following terms shall have the following meanings:

22 (a) "Political boycott" means a collective, organized refusal to
23 purchase goods, utilize services, or engage in social or economic
24 relations with a business, nation or organization to demand political,
25 social or policy change.

26 (b) "Affected state entity" means (i) all agencies and departments
27 over which the governor has executive authority, and (ii) all public-be-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 nefit corporations, public authorities, boards and commissions for which
2 the governor appoints the chair, the chief executive or the majority of
3 board members.

4 (c) "Public retirement system" means the New York state and local
5 retirement system, the New York state teachers' retirement system and
6 any other public pension or retirement fund administered by the state
7 comptroller or any other state official or body.

8 (d) "Boycott-based adverse action" means any action to (i) divest or
9 cause divestiture of public retirement system or affected state entity
10 funds from any security or investment; (ii) deny, terminate or decline
11 to renew a state contract; or (iii) disqualify any person or entity from
12 bidding on a state contract, where such action is based on such person's
13 or entity's participation in, promotion of or support for a political
14 boycott.

15 2. Notwithstanding any law, rule, executive order or regulation to the
16 contrary, no affected state entity or public retirement system shall
17 take any boycott-based adverse action or compile, maintain or publish
18 any list of persons or entities for purposes of such action unless
19 expressly authorized by the legislature. No executive order, administra-
20 tive rule, regulation or guidance shall constitute authorization for any
21 affected state entity or public retirement system to take any boycott-
22 based adverse action or to compile, maintain or publish any list of
23 persons or entities for purposes of such action.

24 3. The commissioner of general services shall remove from publication
25 and cease to maintain any list of entities compiled pursuant to execu-
26 tive order number one hundred fifty-seven of two thousand sixteen.

27 4. Nothing in this section shall be construed to impair the operation
28 of any divestment or contracting exclusion program established by stat-
29 ute or to limit the legislature's authority to enact future such
30 programs by statute.

31 5. If any clause, sentence, paragraph, or subdivision of this section
32 shall be adjudged by any court of competent jurisdiction to be invalid,
33 such judgment shall not affect, impair, or invalidate the remainder
34 thereof, but shall be confined in its operation to the clause, sentence,
35 paragraph, or subdivision thereof directly involved in the controversy
36 in which such judgment shall have been rendered. It is hereby declared
37 to be the intent of the legislature that this section would have been
38 enacted even if such invalid provisions had not been included herein.

39 § 3. This act shall take effect immediately.