

# 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.