



Prohibiting Community College Contracts with Companies Boycotting Israel¹

Q: *What does boycott Israel mean?*

A: *Boycott Israel* means taking any action that is intended to inflict economic harm on, limit commercial relations with, or otherwise penalize Israel or an individual or entity doing business in Israel or an Israeli-controlled territory. The term does not include actions made during the ordinary course of business. Tex. Gov't Code §§ 808.001(1), 2271.001(1).

Q: *What is a company?*

A: A *company* is broadly defined to mean an “organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.” The term does not include a sole proprietorship. Tex. Gov't Code §§ 808.001(2), 2271.001(2).

Q: *May a community college contract with company that boycotts Israel?*

A: No. A community college must include in contracts with companies for goods and services a written verification that the company does not and, during the term of the contract, will not boycott Israel. Tex. Gov't Code § 2271.002(b).

Q: *Does the prohibition apply to all contracts?*

A: No. A contract between a community college and a company is subject to the prohibition only if the company has more than nine employees, the contract's value is \$100,000 or more, and the contract involves the expenditure of public funds. Tex. Gov't Code § 2272.002(a).

¹ An electronic version of this document is available on TASB College eLaw at tasb.org/services/community-college-services/resources/tasb-college-elaw/documents/cc-prohibiting-contracts-with-companies-that-boycott-israel.pdf.

Q: *What qualifies as a written verification? Must it be notarized?*

A: The written verification may be an unsworn declaration. An unsworn declaration must be written and require the person signing to declare under penalty of perjury that the declaration is true. It is not required to be notarized. Tex. Civ. Prac. & Rem. Code § 132.001.

Q: *Does the verification need to be a separate addendum or can it be a provision in the contract?*

A: Community college contracts for goods and services should always be reviewed by the college's attorney before being signed. Unless the entire contract is signed under penalty of perjury, as required by an unsworn declaration, a provision within a contract may not be sufficient to satisfy the requirement that the contract contain a written verification. The community college's attorney will determine how best to comply with the requirement under each specific set of circumstances.

Q: *If a community college purchases goods or services through a purchasing cooperative, will the cooperative require the verification? If so, does this satisfy the law?*

A: Maybe. It will depend on the purchasing cooperative. The law states that a governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company. After a community college selects a vendor from a cooperative, the law applies to the contract between the college and the vendor. If the cooperative requires vendors to complete the verification and the verification becomes part of the contract between the college and the vendor, then the contract satisfies the law. Tex. Gov't Code § 2271.002(b).

Q: *How is the law enforced?*

A: Texas Government Code chapter 2271 does not explicitly provide for a means of enforcement.

Q: *What TASB Policies apply to this topic?*

A: See TASB Policies CF(LEGAL) and CM(LEGAL) addressing this law in the context of purchasing and construction, respectively.

Q: *Where can I get more information on this topic?*

A: Community college representatives may contact Community College Services to discuss these or other legal issues at 800.580.1488 or colleges@tasb.org.

For more information on community college law topics,
visit TASB Community College eLaw online at colleges.tasb.org/elaw.

This document is provided for educational purposes only and contains information to facilitate a general understanding of the law. It is neither an exhaustive treatment of the law on this subject nor is it intended to substitute for the advice of an attorney. It is important for the recipient to consult with the college's own attorney in order to apply these legal principles to specific fact situations.

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