

2024 Regular Session

SENATE BILL NO. 234

BY SENATOR MIGUEZ

CONTRACTS. Provides relative to prohibition on certain governmental entity contracts with companies that discriminate against firearm and ammunition industries. (8/1/24)

1 AN ACT

2 To enact R.S. 38:2216.1 and R.S. 39:1602.2, relative to public contracts; to prohibit certain  
3 discriminatory practices with respect to firearm associations, retailers, and  
4 manufacturers; to provide for definitions; to provide restrictions on applicability; to  
5 provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 38:2216.1 is hereby enacted to read as follows:

8 **§2216.1. Prohibition on contracts with companies that discriminate against**  
9 **firearm and ammunition industries**

10 **A. As used in this Section, the following terms shall have the following**  
11 **meanings unless the context clearly indicates otherwise:**

12 **(1) "Ammunition" shall mean a loaded cartridge or shotshell, case,**  
13 **primer, projectile, wadding, or propellant powder.**

14 **(2) "Company" shall mean a for-profit organization, association,**  
15 **corporation, partnership, joint venture, limited partnership, limited liability**  
16 **partnership, or limited liability company that exists to make a profit.**

17 **"Company" shall not mean a sole proprietorship.**

1           **(3)(a) "Discriminate against a firearm entity or firearm trade**  
2 **association" shall mean that the company:**

3           **(i) Refuses to engage in the trade of any goods or services with the entity**  
4 **or association based solely on its status as a firearm entity or firearm trade**  
5 **association which includes the lawful products and services provided by and**  
6 **lawful practices of firearm entities and firearm trade associations.**

7           **(ii) Refrains from continuing an existing business relationship with the**  
8 **entity or association based solely on its status as a firearm entity or firearm**  
9 **trade association.**

10           **(iii) Terminates an existing business relationship with the entity or**  
11 **association based solely on its status as a firearm entity or firearm trade**  
12 **association.**

13           **(b) A company does not "discriminate against a firearm entity or**  
14 **firearm trade association" if it refuses to engage in the trade of any goods or**  
15 **services, refrains from continuing an existing business relationship, or declines**  
16 **to enter into, modifies, or terminates an existing business relationship for any**  
17 **of the following reasons:**

18           **(i) To comply with federal, state, or local law, policy, or regulations or**  
19 **a directive by a regulator.**

20           **(ii) For any traditional or ordinary business reason that is specific to the**  
21 **customer or potential customer and not based solely on an entity's or**  
22 **association's status as a firearm entity or firearm trade association.**

23           **(c) Nothing in this Paragraph shall be construed to require a company**  
24 **that is a merchant, retail seller, or platform to sell or list for sale ammunition,**  
25 **firearms, or firearm accessories.**

26           **(4) "Firearm" shall mean a weapon that expels a projectile by the action**  
27 **of explosive or expanding gases.**

28           **(5) "Firearm accessory" shall mean:**

29           **(a) A device specifically designed or adapted to enable an individual to**

1 wear, carry, store, or mount a firearm on the individual or on a conveyance.

2 (b) An item used in conjunction with or mounted on a firearm that is not  
3 essential to the basic function of the firearm, including a detachable firearm  
4 magazine.

5 (6) "Firearm entity" shall mean:

6 (a) A manufacturer, distributor, wholesaler, supplier, or retailer of  
7 firearms, firearm accessories, or ammunition.

8 (b) A business establishment, private club, or association that operates  
9 an area for the discharge or other use of firearms for silhouette, skeet, trap,  
10 black powder, target, self-defense, or similar recreational shooting, at which not  
11 fewer than twenty different individuals discharge firearms each calendar year.

12 (7) "Firearm trade association" shall mean any person, corporation,  
13 unincorporated association, federation, business league, or business  
14 organization that meets all of the following criteria:

15 (a) Is not organized or operated for profit and for which none of its net  
16 earnings inures to the benefit of any private shareholder or individual.

17 (b) Has two or more firearm entities as members.

18 (c) Is exempt from federal income taxation pursuant to 26 U.S.C. 501(a)  
19 as an organization described by 26 U.S.C. 501(c)(6).

20 B.(1) The provisions of this Section shall apply to any contract with a  
21 value of one hundred thousand dollars or more that meets all of the following  
22 criteria:

23 (a) It is to be paid partly or wholly from public funds.

24 (b) It is between a public entity and a company with at least ten full-time  
25 employees.

26 (c) It is renewed, amended, or entered into on or after August 1, 2024.

27 (2) Notwithstanding the provisions of Paragraph (1) of this Subsection,  
28 the provisions of this Section shall not apply if either of the following conditions  
29 are met:

1                    (a) The contract is with a sole-source provider.

2                    (b) The public entity does not receive any bids from companies that are  
3 able to provide the written verification required by this Section.

4                    C. A public entity may not enter into a contract with a company for the  
5 purchase of goods or services unless the contract contains a written verification  
6 from the company of both of the following:

7                    (1) The company does not have a practice, policy, guidance, or directive  
8 that discriminates against a firearm entity or firearm trade association based  
9 solely on the entity's or association's status as a firearm entity or firearm trade  
10 association.

11                    (2) The company will not discriminate against a firearm entity or  
12 firearm trade association during the term of the contract based solely on the  
13 entity's or association's status as a firearm entity or firearm trade association.

14 Section 2. R.S. 39:1602.2 is hereby enacted to read as follows:

15 §1602.2. Prohibition on contracts with companies that discriminate against  
16 firearm and ammunition industries

17                    A. As used in this Section, the following terms shall have the following  
18 meanings unless the context clearly indicates otherwise:

19                    (1) "Ammunition" shall mean a loaded cartridge or shotshell, case,  
20 primer, projectile, wadding, or propellant powder.

21                    (2) "Company" shall mean a for-profit organization, association,  
22 corporation, partnership, joint venture, limited partnership, limited liability  
23 partnership, or limited liability company that exists to make a profit.

24 "Company" shall not mean a sole proprietorship.

25                    (3)(a) "Discriminate against a firearm entity or firearm trade  
26 association" shall mean the company:

27                    (i) Refuses to engage in the trade of any goods or services with the entity  
28 or association based solely on its status as a firearm entity or firearm trade  
29 association which includes the lawful products and services provided by and

1 lawful practices of firearm entities and firearm trade associations.

2 (ii) Refrains from continuing an existing business relationship with the  
3 entity or association based solely on its status as a firearm entity or firearm  
4 trade association.

5 (iii) Terminates an existing business relationship with the entity or  
6 association based solely on its status as a firearm entity or firearm trade  
7 association.

8 (b) A company does not "discriminate against a firearm entity or  
9 firearm trade association" if it refuses to engage in the trade of any goods or  
10 services, refrains from continuing an existing business relationship, or declines  
11 to enter into, modifies, or terminates an existing business relationship for any  
12 of the following reasons:

13 (i) To comply with federal, state, or local law, policy, or regulations or  
14 a directive by a regulator.

15 (ii) For any traditional or ordinary business reason that is specific to the  
16 customer or potential customer and not based solely on an entity's or  
17 association's status as a firearm entity or firearm trade association.

18 (c) Nothing in this Paragraph shall be construed to require a company  
19 that is a merchant, retail seller, or platform to sell or list for sale ammunition,  
20 firearms, or firearm accessories.

21 (4) "Firearm" shall mean a weapon that expels a projectile by the action  
22 of explosive or expanding gases.

23 (5) "Firearm accessory" shall mean:

24 (a) A device specifically designed or adapted to enable an individual to  
25 wear, carry, store, or mount a firearm on the individual or on a conveyance.

26 (b) An item used in conjunction with or mounted on a firearm that is not  
27 essential to the basic function of the firearm, including a detachable firearm  
28 magazine.

29 (6) "Firearm entity" shall mean:

1           (a) A manufacturer, distributor, wholesaler, supplier, or retailer of  
2 firearms, firearm accessories, or ammunition.

3           (b) A business establishment, private club, or association that operates  
4 an area for the discharge or other use of firearms for silhouette, skeet, trap,  
5 black powder, target, self-defense, or similar recreational shooting, at which not  
6 fewer than twenty different individuals discharge firearms each calendar year.

7           (7) "Firearm trade association" shall mean any person, corporation,  
8 unincorporated association, federation, business league, or business  
9 organization that meets all of the following criteria:

10           (a) Is not organized or operated for profit and for which none of its net  
11 earnings inures to the benefit of any private shareholder or individual.

12           (b) Has two or more firearm entities as members.

13           (c) Is exempt from federal income taxation pursuant to 26 U.S.C. 501(a)  
14 as an organization described by 26 U.S.C. 501(c)(6).

15           (8) "Governmental entity" shall mean:

16           (a) Any department, office division, commission, council, board, bureau,  
17 committee, institution, agency, government corporation, or other establishment  
18 or official of the executive branch of state government.

19           (b) Any parish, city, town, governmental body, and any other subdivision  
20 of the state or public agency thereof, public authority, public educational,  
21 health, or other institution, and to the extent provided by law, any other entity  
22 which expends public funds for the acquisition or leasing of supplies, services,  
23 major repairs, and construction, and any nonprofit corporation operating a  
24 charitable hospital.

25           B.(1) The provisions of this Section shall apply to any contract with a  
26 value of one hundred thousand dollars or more that meets all of the following  
27 criteria:

28           (a) It is to be paid partly or wholly from public funds.

29           (b) It is between a public entity and a company with at least ten full-time

- 1           employees.
- 2                   (c) It is renewed, amended, or entered into on or after August 1, 2024.
- 3                   (2) Notwithstanding the provisions of Paragraph (1) of this Subsection,
- 4           the provisions of this Section shall not apply if either of the following conditions
- 5           are met:
- 6                   (a) The contract is with a sole-source provider.
- 7                   (b) The government entity does not receive any bids from companies that
- 8           are able to provide the written verification required by this Section.
- 9                   C. A governmental entity may not enter into a contract with a company
- 10           for the purchase of goods or services unless the contract contains a written
- 11           verification from the company of both of the following:
- 12                   (1) The company does not have a practice, policy, guidance, or directive
- 13           that discriminates against a firearm entity or firearm trade association based
- 14           solely on the entity's or association's status as a firearm entity or firearm trade
- 15           association.
- 16                   (2) The company will not discriminate against a firearm entity or
- 17           firearm trade association during the term of the contract based solely on the
- 18           entity's or association's status as a firearm entity or firearm trade association.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Emily Toler.

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Proposed law creates certain restrictions with respect to the ability of the state and its political subdivisions to contract pursuant to the Public Bid Law and the La. Procurement Code.

Present law establishes the Public Bid Law to govern the letting of contracts for the erection, construction, alteration, improvement, or repair of any public facility or land owned, used, or leased by a public entity. Defines "public entity" to mean the state of La., or any agency, board, commission, department, or public corporation of the state, or any political subdivision of the state, and any public housing authority, public school board, or any public officer whether or not an officer of a public corporation or political subdivision. (Pursuant to present law, the term does not include a public body or officer where the particular transaction of the public body or officer is governed by the provisions of the model procurement code.)

Present law establishes the La. Procurement Code to govern buying, purchasing, renting,

leasing, or otherwise obtaining supplies, services, or major repairs by any governmental body of the state. Present law defines "governmental body" as any department, office, division, commission, council, board, bureau, committee, institution, agency, government corporation, or other establishment or official of the executive branch of state government. Present law further authorizes political subdivisions to participate in certain contracts let pursuant to present law.

The provisions hereafter in proposed law will apply to both Public Bid Law and the La. Procurement Code.

Proposed law adds to both Public Bid Law and the La. Procurement Code an additional restriction to contracts let by public entities pursuant to present law. Prohibits a public entity from entering into a contract with a company for the purchase of goods or services unless the contract contains a written verification from the company of both of the following:

- (1) The company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association based solely on the entity's or association's status as a firearm entity or firearm trade association.
- (2) The company will not discriminate against a firearm entity or firearm trade association during the term of the contract based solely on the entity's or association's status as a firearm entity or firearm trade association.

Further provides in both Public Bid Law and the La. Procurement Code that proposed law only applies to a contract with a value of \$100,000 or more that meets all of the following criteria:

- (1) It is to be paid partly or wholly from public funds.
- (2) It is between a public entity and a company with at least 10 full-time employees.
- (3) It is entered into on or after Aug. 1, 2024.

Further establishes exceptions in both Public Bid Law and the La. Procurement Code to proposed law for sole-source provider contracts and circumstances where the public entity does not receive any bids from companies that are able to provide the written verification required by proposed law.

Proposed law provides in both Public Bid Law and the La. Procurement Code that "discriminate against a firearm entity or firearm trade association" shall mean that a company:

- (1) Refuses to engage in the trade of any goods or services with the entity or association based solely on the entity's or association's status as a firearm entity or firearm trade association.
- (2) Refrains from continuing an existing business relationship with the entity or association based solely on the entity's or association's status as a firearm entity or firearm trade association.
- (3) Terminates an existing business relationship with the entity or association based solely on the entity's or association's status as a firearm entity or firearm trade association.

Proposed law further provides in both Public Bid Law and the La. Procurement Code that a company does not "discriminate against a firearm entity or firearm trade association" if it refuses to engage in the trade of any goods or services, refrains from continuing an existing business relationship, or declines to enter into, modifies, or terminates an existing business



relationship for any of the following reasons:

- (1) To comply with federal, state, or local law, policy, or regulations or a directive by a regulator.
- (2) For any traditional or ordinary business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

Further provides in both Public Bid Law and the La. Procurement Code that nothing in proposed law shall be construed to require a company that is a merchant, retail seller, or platform to sell or list for sale ammunition, firearms, or firearm accessories.

Effective August 1, 2024.

(Adds R.S. 38:2216.1 and R.S. 39:1602.2)