
By: **Delegate Marriott**

Introduced and read first time: February 4, 2005

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Sanctions Against the Republic of Sudan**

3 FOR the purpose of prohibiting the State Treasurer from making certain deposits in
4 certain financial institutions unless the financial institution has certified that it
5 does not have any direct loans or knowledge of any indirect loans to certain
6 entities connected with the Republic of Sudan; providing that a State agency
7 may not procure certain supplies that are produced or manufactured in the
8 Republic of Sudan; requiring any bidder or offeror for any procurement over a
9 certain amount to make a certain certification about doing business with or in
10 the Republic of Sudan; requiring the State to provide notice of certain
11 requirements regarding doing business with or in the Republic of Sudan;
12 authorizing the Board of Public Works to waive certain requirements under
13 certain conditions; providing that certain investment managers selected by the
14 Board of Trustees for the State Retirement and Pension System may not invest
15 certain funds in public obligations of companies doing business with or in the
16 Republic of Sudan; requiring the Board of Trustees for the State Retirement and
17 Pension System to include certain information in the investment policy manual
18 for the State Retirement and Pension System; imposing certain penalties;
19 defining a certain term; and generally relating to sanctions against the Republic
20 of Sudan.

21 BY adding to
22 Article - State Finance and Procurement
23 Section 6-208; and 14-601 through 14-607, inclusive, to be under the new
24 subtitle "Subtitle 6. Purchases from the Republic of Sudan"
25 Annotated Code of Maryland
26 (2001 Replacement Volume and 2004 Supplement)

27 BY adding to
28 Article - State Personnel and Pensions
29 Section 21-123(h)
30 Annotated Code of Maryland
31 (2004 Replacement Volume)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - State Finance and Procurement**

4 6-208.

5 (A) THIS SECTION DOES NOT APPLY TO A LOAN THAT IS OUTSTANDING ON
6 JUNE 30, 2005.

7 (B) THE STATE TREASURER MAY NOT USE A FINANCIAL INSTITUTION AS A
8 DEPOSITARY UNLESS THE FINANCIAL INSTITUTION CERTIFIES, IN WRITING, THAT
9 THE FINANCIAL INSTITUTION HAS NO DIRECT LOANS AND NO FOREKNOWLEDGE OF
10 ANY INDIRECT LOANS OUTSTANDING TO A GOVERNMENTAL UNIT OR NATIONAL
11 CORPORATION OF THE REPUBLIC OF SUDAN.

12 (C) IF DIRECT OR INDIRECT LOANS DESCRIBED IN SUBSECTION (B) OF THIS
13 SECTION ARE MADE BY A FOREIGN OR OUT-OF-STATE FINANCIAL INSTITUTION
14 WITHOUT THE PARTICIPATION OF A SUBSIDIARY OR AFFILIATED CORPORATION,
15 SUBSECTION (B) OF THIS SECTION DOES NOT APPLY TO THE SUBSIDIARY OR
16 AFFILIATED CORPORATION.

17 SUBTITLE 6. PURCHASES FROM THE REPUBLIC OF SUDAN.

18 14-601.

19 (A) IN THIS SUBTITLE, "DOING BUSINESS WITH OR IN THE REPUBLIC OF
20 SUDAN" MEANS:

21 (1) HAVING IN THE REPUBLIC ANY OPERATIONS OR A
22 MAJORITY-OWNED SUBSIDIARY THAT EMPLOYS MORE THAN 20 EMPLOYEES;

23 (2) PROVIDING FINANCIAL SERVICES TO THE GOVERNMENT OF THE
24 REPUBLIC, INCLUDING PROVIDING DIRECT LOANS, UNDERWRITING GOVERNMENT
25 SECURITIES, OR PROMOTING THE SALE OF GOLD COINS FROM THE REPUBLIC; OR

26 (3) PROVIDING ANY SUPPLIES OR SERVICES TO THE GOVERNMENT OF
27 THE REPUBLIC EXCEPT FOR SUPPLIES OR SERVICES PROVIDED FOR AN
28 EDUCATIONAL, MEDICAL, CHARITABLE, OR RELIGIOUS PURPOSE.

29 (B) IN THIS SUBTITLE, "DOING BUSINESS WITH OR IN THE REPUBLIC OF
30 SUDAN" DOES NOT INCLUDE COMPLETING A LIMITED CONSULTING CONTRACT IN
31 EXISTENCE ON JULY 1, 2005, IN THE REPUBLIC THAT WAS ENTERED INTO AS A
32 RESULT OF THE COMPANY DIVESTING ITSELF OF ALL BUSINESS PROPERTY AND
33 OPERATIONS IN THE REPUBLIC.

34 14-602.

35 A UNIT MAY NOT KNOWINGLY BUY FINISHED SUPPLIES THAT ARE PRODUCED
36 IN THE REPUBLIC OF SUDAN.

1 14-603.

2 FOR A PROCUREMENT SOLICITED AFTER JULY 1, 2005, AND COSTING MORE
3 THAN \$100,000, THE BIDDER OR OFFEROR SHALL CERTIFY AT THE TIME THE
4 PROCUREMENT CONTRACT IS AWARDED THAT THE BIDDER OR OFFEROR IS NOT
5 DOING BUSINESS WITH OR IN THE REPUBLIC OF SUDAN OR KNOWINGLY
6 SUBCONTRACTING WITH AN ENTITY THAT DOES SO.

7 14-604.

8 IN ANY SOLICITATION, A UNIT SHALL PROVIDE NOTICE OF THE REQUIREMENTS
9 OF THIS SUBTITLE.

10 14-605.

11 THE BOARD OF PUBLIC WORKS MAY WAIVE THE REQUIREMENTS OF §§ 14-602,
12 14-603, AND 14-604 OF THIS SUBTITLE, IF THE BOARD FINDS THAT:

13 (1) THE PROCUREMENT IS ESSENTIAL OR IN THE BEST INTERESTS OF
14 THE STATE; AND

15 (2) THERE IS NO OTHER KNOWN SOURCE FOR THE PROCUREMENT AT A
16 REASONABLE COST.

17 14-606.

18 A BIDDER OR OFFEROR MAY NOT MISREPRESENT ANY INFORMATION
19 CONTAINED IN THE CERTIFICATION REQUIRED UNDER THIS SUBTITLE.

20 14-607.

21 A BIDDER OR OFFEROR WHO WILLFULLY VIOLATES ANY PROVISION OF THIS
22 SUBTITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A
23 FINE NOT EXCEEDING \$1,000 OR IMPRISONMENT NOT EXCEEDING 3 MONTHS.

24 **Article - State Personnel and Pensions**

25 21-123.

26 (H) (1) IN THIS SUBSECTION, "DOING BUSINESS WITH OR IN THE REPUBLIC
27 OF SUDAN" MEANS:

28 (I) HAVING IN THE REPUBLIC ANY OPERATIONS OR A MAJORITY
29 OWNED SUBSIDIARY THAT EMPLOYS MORE THAN 20 EMPLOYEES;

30 (II) PROVIDING FINANCIAL SERVICES TO THE GOVERNMENT OF
31 THE REPUBLIC, INCLUDING PROVIDING DIRECT LOANS, UNDERWRITING
32 GOVERNMENT SECURITIES, OR PROMOTING THE SALE OF GOLD COINS FROM THE
33 REPUBLIC; OR

1 (III) PROVIDING ANY SUPPLIES OR SERVICES TO THE GOVERNMENT
2 OF THE REPUBLIC EXCEPT FOR SUPPLIES OR SERVICES PROVIDED FOR AN
3 EDUCATIONAL, MEDICAL, CHARITABLE, OR RELIGIOUS PURPOSE.

4 (2) IN THIS SUBSECTION, "DOING BUSINESS WITH OR IN THE REPUBLIC
5 OF SUDAN" DOES NOT INCLUDE COMPLETING A LIMITED CONSULTING CONTRACT IN
6 EXISTENCE ON JULY 1, 2005, IN THE REPUBLIC THAT WAS ENTERED INTO AS A
7 RESULT OF THE COMPANY DIVESTING ITSELF OF ALL BUSINESS PROPERTY AND
8 OPERATIONS IN THE REPUBLIC.

9 (3) AN EXTERNAL INVESTMENT MANAGER SELECTED BY THE BOARD OF
10 TRUSTEES MAY NOT INVEST ANY FUNDS ALLOCATED TO THE MANAGER IN ANY
11 STOCK, SECURITY, OR OTHER OBLIGATION OF ANY COMPANY THAT DOES BUSINESS
12 WITH OR IN THE REPUBLIC OF SUDAN.

13 (4) THE BOARD OF TRUSTEES SHALL INCLUDE THE REQUIREMENT
14 UNDER PARAGRAPH (3) OF THIS SUBSECTION IN THE INVESTMENT POLICY MANUAL.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 July 1, 2005.