

Chapter 554

(Senate Bill 811)

AN ACT concerning

Procurement – Investment Activities in Iran – Board of Public Works Authority to Adopt Regulations

FOR the purpose of requiring the Board of Public Works to adopt certain regulations if the Board determines that certain acts, laws, or amendments authorize or require the reduction of certain dollar amounts or alteration of certain parameters relating to certain investment activities in Iran; clarifying the intent of the General Assembly; requiring the Department of Legislative Services to provide certain written notice concerning certain legislation to the Attorney General of the United States; clarifying that certain legislation that amends certain provisions of law is severable; providing for the termination of certain legislation that amends certain provisions of law; requiring the Board to notify the Department of Legislative Services of certain events within a certain time period; and generally relating to persons that engage in investment activities in Iran and the authority of the Board of Public Works to adopt regulations.

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 17–701, 17–703, and 17–707
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 17–702
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Chapter 447 of the Acts of the General Assembly of 2012
Section 2 through 5

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

Article – State Finance and Procurement

17–701.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Energy sector of Iran” means activities to develop petroleum or natural gas resources or nuclear power in Iran.
- (c) “Financial institution” has the meaning stated in Section 14 of the Iran Sanctions Act of 1996 (Public Law 104–172).
- (d) “Iran” includes the government of Iran and any agency or instrumentality of Iran.
- (e) “Person” includes:
- (1) a natural person, corporation, company, limited liability company, business association, partnership, society, trust, or any other nongovernmental entity, organization, or group;
 - (2) a governmental entity or instrumentality of a government, including a multilateral development institution, as defined by the federal International Financial Institutions Act, 22 U.S.C. 262r(c)(3); or
 - (3) any parent, successor, subunit, direct or indirect subsidiary of, or any entity under common ownership or control with, an entity described in item (1) or (2) of this subsection.
- (f) “Public body” means:
- (1) the State;
 - (2) a county, municipal corporation, or other political subdivision;
 - (3) a public instrumentality; or
 - (4) any governmental unit authorized to award a contract.

17–702.

(A) For purposes of this subtitle, a person engages in investment activities in Iran if:

- (1) the person provides goods or services of \$20,000,000 or more in the energy sector of Iran, including a person that provides oil or liquefied natural gas tankers or products used to construct or maintain pipelines used to transport oil or liquefied natural gas for the energy sector of Iran; or

(2) the person is a financial institution that extends \$20,000,000 or more in credit to another person for 45 days or more if the person to whom the credit is extended:

(i) will use the credit to provide goods or services in the energy sector of Iran as described in item (1) of this section; and

(ii) is, at the time of the extension of credit, identified on a list created under § 17-704 of this subtitle as a person engaging in investment activities in Iran.

(B) IF THE BOARD DETERMINES THAT THE COMPREHENSIVE IRAN SANCTIONS, ACCOUNTABILITY, AND DIVESTMENT ACT OF 2010 HAS BEEN AMENDED OR ANY OTHER FEDERAL ACT OR LAW HAS BEEN ENACTED OR AMENDED THAT AUTHORIZES OR REQUIRES THE REDUCTION OF THE DOLLAR AMOUNTS PROVIDED FOR IN THIS SECTION OR OTHERWISE ALTERS THE PARAMETERS OF INVESTMENT ACTIVITIES IN IRAN FOR THE PURPOSE OF IMPOSING SANCTIONS, THE BOARD SHALL ADOPT REGULATIONS TO REDUCE THE DOLLAR AMOUNTS OR ALTER THE PARAMETERS.

17-703.

A person that, at the time of bid or proposal for a new contract or renewal of an existing contract, is identified on a list created by the Board under § 17-704 of this subtitle as a person engaging in investment activities in Iran is ineligible to, and may not bid on, submit a proposal for, or enter into or renew a contract with a public body for goods or services.

17-707.

This subtitle preempts any law, ordinance, rule, or regulation of any local governing body involving procurement contracts for goods or services with a person engaged in investment activities in Iran.

Chapter 447 of the Acts of 2012

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly to implement the authority granted under Section 202 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 AND ANY FEDERAL ACT OR LAW THAT AMENDS THE ACT OR OTHERWISE REGULATES INVESTMENT ACTIVITIES IN IRAN.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Legislative Services shall submit to the Attorney General of the United States written notice of the requirements of this Act OR ANY OTHER LEGISLATION PASSED BY THE

GENERAL ASSEMBLY THAT AMENDS THIS ACT within 30 days after the Act **OR LEGISLATION** takes effect.

SECTION 4. AND BE IT FURTHER ENACTED, That if any provision of this Act **OR LEGISLATION PASSED BY THE GENERAL ASSEMBLY THAT AMENDS THIS ACT** or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act **OR LEGISLATION PASSED BY THE GENERAL ASSEMBLY THAT AMENDS THIS ACT** which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act **OR ANY LEGISLATION PASSED BY THE GENERAL ASSEMBLY THAT AMENDS THIS ACT** are declared severable.

SECTION 5. AND BE IT FURTHER ENACTED, That:

(a) This Act **OR ANY OTHER LEGISLATION THE GENERAL ASSEMBLY PASSES THAT AMENDS THIS ACT** shall remain in effect until:

(1) the Congress or the President of the United States affirmatively and unambiguously declares, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress that Iran is no longer seeking a nuclear weapons capability and no longer supports international terrorism; or

(2) federal law no longer authorizes the states to adopt and enforce provisions of the type authorized in this Act **OR ANY OTHER LEGISLATION THE GENERAL ASSEMBLY PASSES THAT AMENDS THIS ACT**.

(b) The Board of Public Works shall notify the Department of Legislative Services within 5 days after the occurrence of an event described in subsection (a) of this section and, as of the date the event occurred, with no further action required by the General Assembly, this Act **OR ANY OTHER LEGISLATION THE GENERAL ASSEMBLY PASSES THAT AMENDS THIS ACT** shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.