

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1203 Session of 2022

INTRODUCED BY ARGALL, SCHWANK, GEBHARD, MENSCH, BARTOLOTTA, KANE, YUDICHAK, COSTA, STREET, ROBINSON, PITTMAN AND STEFANO, APRIL 22, 2022

SENATOR ARGALL, STATE GOVERNMENT, AS AMENDED, JUNE 14, 2022

AN ACT

1 Preventing the Commonwealth from dealing with persons associated
2 with the Government of Russia or the Government of Belarus;
3 and imposing duties on the Treasury Department and the
4 Attorney General.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Restrictions
9 for Associations with Russia and Belarus Act.

10 Section 2. Definitions.

11 The following words and phrases when used in this act shall
12 have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 "Commonwealth agency." As defined in 62 Pa.C.S. § 103
15 (relating to definitions).

16 "CRITICAL MATERIAL" OR "CRITICAL MINERAL." A MATERIAL OR <--
17 MINERAL THAT:

18 (1) HAS A SIGNIFICANT ECONOMIC IMPORTANCE FOR KEY

1 SECTORS OF THE STATE OR NATIONAL ECONOMY;

2 (2) HAS A HIGH-SUPPLY RISK DUE TO IMPORT DEPENDENCE OR
3 HIGH LEVELS OF CONCENTRATION IN PARTICULAR COUNTRIES OR
4 REGIONS; AND

5 (3) LACKS VIABLE SUBSTITUTES DUE TO ITS UNIQUE
6 PROPERTIES AND NATURE.

7 "Person." An individual, corporation, partnership, limited
8 liability company, business trust, association, estate, trust,
9 foundation, business entity or government entity.

10 Section 3. List of persons associated with Russia or Belarus.

11 (a) Development of list.--Within 60 days of the effective
12 date of this section, the Treasury Department shall, using
13 credible information available to the public, develop a list of
14 persons in this Commonwealth that, as determined by the Treasury
15 Department, meet any of the following criteria:

16 (1) Have a direct equity share with the Government of
17 Russia or the Government of Belarus.

18 (2) Have business operations that involve contracts with
19 or the provision of goods or services to the Government of
20 Russia or the Government of Belarus.

21 (3) Are headquartered or have a principal place of
22 business in Russia or Belarus.

23 (4) Support, assist or facilitate the Government of
24 Russia or the Government of Belarus in the shared campaign to
25 invade the sovereignty of Ukraine, either through in-kind
26 support or for-profit dealings.

27 (b) Update of list.--The list under subsection (a) shall be
28 updated every 90 days.

29 Section 4. Restrictions.

30 If a person is found to be on the list under section 3, the

1 person may not:

2 (1) Bid on, submit a proposal for, enter into or renew a
3 ~~contact~~ CONTRACT with a Commonwealth agency for the provision <--
4 of goods or services.

5 (2) Submit a proposal for or renew a grant issued by the
6 Commonwealth.

7 (3) Submit a proposal for or renew a tax credit offered
8 by the Commonwealth.

9 Section 5. Notice and challenge.

10 (a) Notice.--The Treasury Department shall provide to each
11 person on the list under section 3 notice of:

12 (1) The person's inclusion on the list.

13 (2) The restrictions under section 4.

14 (3) The opportunity of the person to challenge the
15 person's inclusion on the list, through commenting in writing
16 that the person does not meet any of the criteria specified
17 in section 3(a).

18 (b) Successful challenge.--If a person challenges the
19 person's inclusion on the list under section 3 and demonstrates
20 to the satisfaction of the Treasury Department that the person
21 does not meet any of the criteria specified in section 3(a), the
22 person shall not be included on the list.

23 (c) Unsuccessful challenge.--If a person challenges the
24 person's inclusion on the list under section 3 but does not
25 demonstrate to the satisfaction of the Treasury Department that
26 the person does not meet any of the criteria specified in
27 section 3(a), the Treasury Department shall forward the matter
28 to the Attorney General for further review.

29 (d) Duty of Attorney General.--

30 (1) If, after receiving the matter under subsection (c),

1 the Attorney General finds that the evidence presented by the
2 person is with merit, the Attorney General shall make a
3 recommendation to the Treasury Department that the person not
4 be included on the list under section 3.

5 (2) If, after receiving the matter under subsection (c),
6 the Attorney General finds that the evidence presented by the
7 person is without merit, the Attorney General shall determine
8 whether to pursue appropriate criminal or civil charges
9 against the person.

10 SECTION 6. CRITICAL MATERIALS AND CRITICAL MINERALS. <--

11 THE TREASURY DEPARTMENT SHALL DEVELOP A LIST OF CRITICAL
12 MATERIALS AND CRITICAL MINERALS THAT ARE EXEMPTED FROM THIS ACT
13 THAT INCLUDE THOSE MINERALS IDENTIFIED AS CRITICAL BY THE UNITED
14 STATES DEPARTMENT OF THE INTERIOR AS PART OF EXECUTIVE ORDER
15 13817. THIS LIST SHALL BE REVIEWED ANNUALLY BY THE TREASURY
16 DEPARTMENT.

17 Section ~~6~~ 7. Effective date. <--

18 This act shall take effect in 30 days.