AN ACT relating to public contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 45A.343 to 45A.460 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:
   
   (a) "Ammunition" means a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile;
   
   (b) "Firearm" means a weapon that expels a projectile by the action of explosive or expanding gases;
   
   (c) "Firearm accessory" means:
         1. A device specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance; or
         2. An item used in conjunction with or mounted on a firearm that is not essential to the basic function of the firearm, including a detachable firearm magazine;
   
   (d) "Firearm entity" means:
         1. A manufacturer, distributor, wholesaler, supplier, or retailer of firearms, firearm accessories, or ammunition; or
         2. A business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting at which not fewer than twenty (20) different individuals discharge firearms each calendar year; and
   
   (e) "Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:
1. Is not organized or operated for profit and for which none of its net earnings inure to the benefit of any private shareholder or individual;

2. Has two (2) or more firearm entities as members; and


(2) (a) A governmental body or political subdivision of this state shall not enter into a contract for the purchase of goods or services unless the contract contains a written verification from the company selling the goods or services that:

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 its status as a firearm entity or firearm trade association; and

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.

(b) A company discriminates against a firearm entity or firearm trade association if it:

1. Refuses to engage in the trade of any goods or services with the entity or association based solely on its 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 its status as a firearm entity or firearm trade association; or

3. Terminates an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association.
(c) 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:

1. To comply with federal, state, or local law, policy, or regulation, or a directive from a regulator; or
2. For any traditional 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.

(3) (a) Subsection (2) of this section shall apply to any contract with a value of one hundred thousand dollars ($100,000) or more that:

1. Is to be paid partially or wholly from public funds;
2. Is between a public entity and a company with at least ten (10) full-time employees; and
3. Is entered into on or after the effective date of this Act.

(b) Notwithstanding paragraph (a) of this subsection, subsection (2) of this section shall not apply if:

1. The contract is with a sole-source provider; or
2. The public entity does not receive any bids from companies that are able to provide the written verification required by this section.

(4) Nothing in this section 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.

(5) The restrictions and obligations on companies set forth in this section shall not apply to sole proprietorships that enter into contracts with a governmental body or political subdivision of this state.