

HB 2305 STAFF MEASURE SUMMARY

House Committee On Veterans and Emergency Management

Prepared By: Cassie Passon, Counsel

Meeting Dates: 3/11

WHAT THE MEASURE DOES:

Allows Governor, if necessitated by emergency, to require any person to accept and fulfill orders to manufacture, sell, or distribute goods necessary to protect public safety. Requires orders made under Act to be prioritized over other orders. Provides conditions under which person may reject order. Prohibits discrimination against orders made under Act in any manner. Provides that person that accepts order is not liable for contractual damages resulting from act or omission necessary for compliance with Act.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 2305 allows the Governor, during a state of emergency, to require any person to accept and fulfill orders for manufacture, sale or distribution and to prioritize those orders over others. The measure allows a person to reject the orders, if the orders are for goods or service that the person does not provide in the ordinary course of business or if the person is unable to fulfill the orders because of limitations in the person's workforce or facilities. The person is not allowed to discriminate, in any way, against the orders made by the Governor; this includes practices such as charging higher prices or changing the terms and conditions of the order from similar orders the person accepts in the ordinary course of business. Accepting these types of orders from the Governor, shields the person from liability of contractual damages due to any act or omission that arises from complying with the Governor's orders.