



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1005

public monies; ideology training; prohibition

Purpose

Prohibits a public entity from requiring or spending public monies on a diversity, equity and inclusion program (DEI program) and allows an employee who is required to participate in the program to bring an action against the public entity. Prohibits a public entity from entering into a contract with a company that participates in a DEI program.

Background

Current statute prohibits a public entity from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of goods and services from Israel. A public entity may not adopt a procurement, investment or other policy that has the effect of inducing or requiring a person or company to boycott Israel (A.R.S. §§ [35-393](#) and [35-393.01](#)). A public entity also may not enter into or renew a contract with a company to acquire or dispose of services, supplies, information technology, goods or construction unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract that it will not, use forced labor, or any goods or services produced by the forced labor, of ethnic Uyghurs in the People's Republic of China ([A.R.S. § 35-394](#)).

The state General Fund (state GF) consists of all monies received into the state treasury except for money designated by law for other statutory funds. Expenses paid from the state GF must be authorized in an appropriation by the Legislature ([A.R.S. § 35-141](#)). The State Treasurer is responsible for the safekeeping of all securities for which the State Treasurer is the lawful custodian. The State Treasurer invests state monies and operates the Local Government Investment Pool for the benefit of participating units of local government ([A.R.S. § 35-314](#)). The Arizona Department of Administration prescribes the use of all budget units in an accounting system designed to ensure compliance with all legal and constitutional requirements, including those receiving, spending and accounting for public monies ([A.R.S. § 35-131](#)).

There is no anticipated fiscal impact to the state GF associated with this legislation.

Provisions

1. Prohibits a public entity from:
 - a) requiring an employee to engage in a DEI program;
 - b) spending public monies on a DEI program;
 - c) entering into or renewing a contract with a company that participates in a DEI program;
 - d) spending public monies to acquire services, supplies, information, technology or goods for a DEI program;

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- e) establishing, supporting, sustaining or employing an office or individual whose duties include coordinating, creating, developing, designing, implementing, organizing, planning or promoting DEI programs;
 - f) advancing or adopting any policy or procedure designed to influence the composition of its workforce on the basis of race, sex or color, except as required by federal law;
 - g) advancing or adopting any policy of procedure designed or implemented on the basis of race, sex or color, except as required by federal law; or
 - h) promoting or adopting any theory of unconscious or implicit bias, cultural appropriation, allyship, transgenderism, microaggressions, microinvalidation, group marginalization, anti-racism, systemic oppression, ethnocentrism, structural racism or inequity, social justice, intersectionality, neopronouns, inclusive language, heteronormativity, disparate impact, gender identity or theory, racial or sexual privilege or any related theory as the official position of the public entity.
2. Allows an employee of a public entity who is required to participate in a DEI program to bring an action against the public entity.
3. Stipulates that an employee who demonstrates that a public entity violated the prohibition relating to a DEI program is entitled to injunctive relief.
4. Stipulates that the prohibition relating to a DEI program does not preclude a public entity from:
- a) offering training on sexual harassment; or
 - b) operating an office staffed by, or employing, licensed attorneys and legal support staff whose sole purpose is ensuring compliance with federal law or an applicable court order.
5. Defines *DEI program* as a program that requires an employee of a public entity to participate in or attend a training, orientation, workshop, therapy or similar activity that focuses on:
- a) describing or exposing structures, systems, relations of power, privilege or subordination on the basis of race, sex, color, gender, ethnicity, gender identity or sexual orientation;
 - b) describing methods to identify, dismantle or oppose structures, systems, relations of power, privilege or subordination on the basis of race, sex, color, gender, ethnicity, gender identity or sexual orientation;
 - c) justifying differential treatment or benefit on the basis of sex, color, gender, ethnicity, gender identity or sexual orientation; or
 - d) advancing theories of unconscious or implicit bias, cultural appropriation, allyship, transgenderism, microaggressions, microinvalidation, group marginalization, anti-racism, systemic oppression, ethnocentrism, structural racism or inequity, social justice, intersectionality, neopronouns, inclusive language, heteronormativity, disparate impact, gender identity or theory, racial or sexual privilege or any concept substantially related to any of the outlined theories.
6. Defines *public entity* as:
- a) the state;
 - b) a political subdivision of the state;

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- c) an agency, board, commission or department of the state or political subdivision of the state; and
- d) includes the universities under the jurisdiction of the Arizona Board of Regents and community college districts as outlined.

7. Becomes effective on the general effective date.

Prepared by Senate Research

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JT/slp