

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 247

(SENATE AUTHORS: LIMMER, Latz, Cohen, Gazelka and Anderson, P.)

DATE	D-PG	OFFICIAL STATUS
01/23/2017	371	Introduction and first reading
		Referred to State Government Finance and Policy and Elections
02/16/2017	625a	Comm report: To pass as amended and re-refer to Judiciary and Public Safety Finance and Policy
02/27/2017	807	Withdrawn and re-referred to Finance
03/02/2017		HF substituted in committee HF400

1.1 A bill for an act

1.2 relating to state contracts; requiring that the vendor not engage in a boycott of

1.3 Israel; proposing coding for new law in Minnesota Statutes, chapters 3; 16C.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **[3.226] CONTRACTS WITH VENDORS WHO DISCRIMINATE**

1.6 **AGAINST ISRAEL PROHIBITED.**

1.7 Subdivision 1. **Discrimination by vendor.** (a) The legislature may not enter into a

1.8 contract with a vendor that engages in discrimination against Israel, or against persons or

1.9 entities doing business in Israel, when making decisions related to the operation of the

1.10 vendor's business. A contract must require the vendor to certify compliance with this section,

1.11 and must permit immediate termination of the contract, without penalty, if the legislature

1.12 determines that the vendor discriminates against Israel or against persons or entities doing

1.13 business in Israel after the contract is entered.

1.14 (b) For purposes of this section, "discrimination" includes but is not limited to engaging

1.15 in refusals to deal, terminating business activities, or other actions that are intended to limit

1.16 commercial relations with Israel, or persons or entities doing business in Israel, when such

1.17 actions are taken:

1.18 (1) in compliance with or in adherence to calls for discrimination against Israel or a

1.19 boycott of Israel, other than those boycotts to which United States Code Appendix, title 50,

1.20 section 2407(c), applies; or

1.21 (2) in a manner that in any way discriminates on the basis of nationality or national

1.22 origin and is not based on a valid business reason.

2.1 Subd. 2. **Exemption; legislature may waive.** (a) This section does not apply to contracts
 2.2 with a value of less than \$1,000.

2.3 (b) The legislature may waive application of this section on a contract if the legislature
 2.4 determines that compliance is not practicable or in the best interests of the state.

2.5 Subd. 3. **Relation to existing law.** This section does not prohibit a vendor from engaging
 2.6 in free speech or expression protected under the First Amendment of the United States
 2.7 Constitution.

2.8 Sec. 2. **[16C.053] CONTRACTS WITH VENDORS WHO DISCRIMINATE**
 2.9 **AGAINST ISRAEL PROHIBITED.**

2.10 Subdivision 1. **Discrimination by vendor.** (a) A state agency may not enter into a
 2.11 contract with a vendor that engages in discrimination against Israel, or against persons or
 2.12 entities doing business in Israel, when making decisions related to the operation of the
 2.13 vendor's business. A contract must require the vendor to certify compliance with this section,
 2.14 and must permit immediate termination of the contract, without penalty, if the state agency
 2.15 determines that the vendor discriminates against Israel or against persons or entities doing
 2.16 business in Israel after the contract is entered.

2.17 (b) For purposes of this section, "discrimination" includes but is not limited to engaging
 2.18 in refusals to deal, terminating business activities, or other actions that are intended to limit
 2.19 commercial relations with Israel, or persons or entities doing business in Israel, when such
 2.20 actions are taken:

2.21 (1) in compliance with or in adherence to calls for discrimination against Israel or a
 2.22 boycott of Israel, other than those boycotts to which United States Code Appendix, title 50,
 2.23 section 2407(c), applies; or

2.24 (2) in a manner that in any way discriminates on the basis of nationality or national
 2.25 origin and is not based on a valid business reason.

2.26 Subd. 2. **Exemption; commissioner may waive.** (a) This section does not apply to
 2.27 contracts with a value of less than \$1,000.

2.28 (b) The commissioner may waive application of this section on a contract if the
 2.29 commissioner determines that compliance is not practicable or in the best interests of the
 2.30 state.

3.1 Subd. 3. **Relation to existing law.** This section does not prohibit a vendor from engaging
3.2 in free speech or expression protected under the First Amendment of the United States
3.3 Constitution.

3.4 Sec. 3. **EFFECTIVE DATE.**

3.5 Sections 1 and 2 are effective July 1, 2017, and apply to contracts entered into on or
3.6 after that date.