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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 400

01/23/2017 Authored by Kresha, Daudt, Peppin, Applebaum, Dean, M., and others
The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy
02/09/2017 Adoption of Report: Amended and re-referred to the Committee on State Government Finance
02/16/2017 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to state contracts; requiring that the vendor not engage in discrimination
1.3 against Israel; proposing coding for new law in Minnesota Statutes, chapter 16C.

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

1.5 Section 1. **[16C.053] CERTAIN CONTRACTS PROHIBITED.**

1.6 Subdivision 1. **Discrimination by vendor.** (a) A state agency, including the Minnesota
1.7 State Colleges and Universities, and entities in the legislative branch 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 include terms that require the vendor to certify compliance
1.11 with this section, and which permit immediate termination of the contract, without penalty,
1.12 if the state agency or legislative entity determines that the vendor's business practices do
1.13 not comply with this section 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; commissioner may waive. (a) This section does not apply to
2.2 contracts with a value of less than \$1,000.

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

2.6 **EFFECTIVE DATE.** This section is effective July 1, 2017, and applies to contracts
2.7 entered into on or after that date.

2.8 Sec. 2. **COST OF IMPLEMENTATION.**

2.9 Any costs incurred by the commissioner of administration in implementing the
2.10 requirements of section 1 must be paid using existing appropriations provided to the
2.11 commissioner by law.