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This bill prohibits state contracts with vendors that engage in discrimination against Israel, or against persons or entities that do business in Israel, when making decisions related to the operation of the vendor's business. Compliance with this requirement must be included in the terms of the state's contract with the vendor. These requirements apply to executive branch agency contracts, including MnSCU, and contracts involving the legislative branch.

A definition of "discrimination" is included in the bill. The definition includes, but is not limited to, "engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel," when those actions are taken in conformance with certain types of calls to discriminate against or boycott Israel, or in a way that discriminates on the basis of nationality or national origin without a valid business reason for doing so.

An exception for contracts of less than \$1,000 is provided. In addition, the commissioner of administration would be permitted to waive application of this section if the commissioner determines that compliance is not practicable or is not in the best interests of the state. The commissioner would be required to absorb the costs of implementation within existing appropriations.

The bill would apply to contracts entered into on or after July 1, 2017.