



News from the Minnesota/Dakotas Chapter of the **ESOP** Association

Employee Ownership Moves America

Chapter Legislative Recap from the 35th Annual ESOP Conference

Company and professional members of the Minnesota / Dakotas Chapter attended a record number of legislative meetings at the 35th Annual ESOP Conference in Washington, D.C., May 10 and 11. Visits were arranged where employee owners met with legislators or their respective aides to gain additional support for ESOPs.

A special thank you to the legislative staff and aides at the various congressional offices for coordinating and participating in the meetings. *We appreciate your continued support and would be interested in hosting a company visit in your district!*



Rep. Rick Berg with Border States, Dakota Supply Group and AGVISE Laboratories.



Rep. Collin Peterson with HLB Tautges Redpath, Douglas Machine and Oxygen Services.

Thanks for the continued support!

Rep. Erik P. Paulsen (R-3-MN)
Rep. Rick Berg (R-ATL-ND)
Rep. Betty McCollum (D-4-MN)
Rep. Nancy Johnson (R-ND)

Rep. Kristi Noem (R-SD)
Rep. Collin Peterson (D-7-MN)
Rep. Timothy J. Walz (D-1-MN)
Sen. Amy Klobuchar (D-MN)
Sen. John Thune (R-SD)



Rep. Betty McCollum with Dakota Supply Group, Walman Optical and HLB Tautges Redpath.

(H.R. 1244) Promotion and Expansion of Private Employee Ownership Act of 2011

The bill says it is the goal of Congress to both preserve and foster employee ownership of S corporations through ESOPs. The bill contains provisions such as—

- (1) encourage the creation of ESOPs by extending the tax deferral opportunity (under Internal Revenue Code Section 1042) to shareholders of S corporations who sell to an ESOP;
- (2) expand financing opportunities by allowing banks to exclude 50% of the interest earned on loans used to finance stock purchases by S corporation ESOPs, provided that the ESOP owns more than 50% of the stock after the acquisition;

Section 2 of the bill contains findings that indicate why so many Representatives from across the political spectrum are standing behind this legislation. Co-sponsors are still needed, stand behind your local ESOP companies by supporting this bill!