

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 1124

(SENATE AUTHORS: MILLER, Housley and Pratt)

DATE	D-PG	OFFICIAL STATUS
02/06/2025	313	Introduction and first reading
		Referred to State and Local Government
02/13/2025	393	Author added Pratt

1.1 A bill for an act

1.2 relating to gambling; authorizing and providing for sports betting and fantasy

1.3 contests; establishing licenses; prohibiting local restrictions; providing for taxation

1.4 of sports betting and fantasy contests; providing civil and criminal penalties;

1.5 providing for amateur sports grants; providing for charitable gambling and

1.6 modifying certain rates of tax on lawful gambling; providing for pari-mutuel horse

1.7 racing; making clarifying, conforming, and technical changes; requiring reports;

1.8 appropriating money; amending Minnesota Statutes 2024, sections 240.01,

1.9 subdivision 1b; 245.98, subdivision 2; 260B.007, subdivision 16; 270B.07, by

1.10 adding a subdivision; 297E.02, by adding a subdivision; 349.12, subdivision 25;

1.11 609.75, subdivisions 3, 4, 7, by adding a subdivision; 609.755; 609.76, subdivision

1.12 2; 609.761, subdivision 3; proposing coding for new law in Minnesota Statutes,

1.13 chapters 116U; 240; 240A; 245; 299L; 609; proposing coding for new law as

1.14 Minnesota Statutes, chapter 297J.

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

1.16 **ARTICLE 1**

1.17 **SHORT TITLE**

1.18 Section 1. CITATION.

1.19 This act may be cited as the "Minnesota Sports Betting Act 3.0."

1.20 **ARTICLE 2**

1.21 **LAWFUL SPORTS BETTING**

1.22 Section 1. [299L.10] DEFINITIONS.

1.23 Subdivision 1. **Terms.** For the purposes of this chapter, the following terms have the

1.24 meanings given them.

2.1 Subd. 2. **Athletic event.** "Athletic event" means a sports game, match, or activity, or
2.2 series of games, matches, activities, or tournaments involving the athletic skill of one or
2.3 more players or participants. Athletic event does not include any of the following:

2.4 (1) horse racing as defined in section 240.01, subdivision 8;

2.5 (2) an esports or athletic competition, demonstration, activity, or tournament organized
2.6 by an elementary, middle, or high school, or by any youth activity sports program, league,
2.7 or clinic; or

2.8 (3) a fantasy sports contest in which participants assemble teams of athletes or individuals
2.9 and the winning outcome reflects the relative knowledge and skill of the participants and
2.10 is determined predominantly by the accumulated statistical results of the performance of
2.11 athletes or individuals in an actual event.

2.12 Subd. 3. **Authorized participant.** "Authorized participant" means an individual who
2.13 has a valid mobile sports betting account with a mobile betting operator and is at least 21
2.14 years of age.

2.15 Subd. 4. **Betting exchange.** "Betting exchange" means a marketplace that facilitates
2.16 peer-to-peer wagers without collecting fees for wagers placed.

2.17 Subd. 5. **Casino.** "Casino" means an establishment in which gaming is lawfully conducted
2.18 by an Indian Tribe in the state of Minnesota pursuant to the Indian Gaming Regulatory Act
2.19 and in accordance with a Tribal gaming ordinance and applicable Tribal-state compacts.

2.20 Subd. 6. **Class III gaming.** "Class III gaming" has the meaning given in United States
2.21 Code, title 25, section 2703.

2.22 Subd. 7. **College sports.** "College sports" means a sporting event in which at least one
2.23 participant is a team or individual from a public or private institution of higher education.

2.24 Subd. 8. **Compact.** "Compact" means a Tribal-state compact governing the conduct of
2.25 class III gaming on Indian lands that is negotiated under section 3.9221, any other state law,
2.26 or pursuant to the Indian Gaming Regulatory Act, Public Law 100-497, and future
2.27 amendments to it.

2.28 Subd. 9. **Esports event.** "Esports event" means a competition between individuals or
2.29 teams using video games in a game, match, contest, or series of games, matches, or contests,
2.30 or a tournament, or by a person or team against a specified measure of performance which
2.31 is hosted at a physical location or online that meets the following conditions:

3.1 (1) the video game does not simulate the play of a game classified as Class I, II, or III
3.2 under the Indian Gaming Regulatory Act, Public Law 100-497, and future amendments to
3.3 it;

3.4 (2) spectators are allowed to watch the competition in real time, in person or online; and

3.5 (3) the video game is approved by the commissioner to be an event eligible for wagering
3.6 under this section and sections 299L.11 to 299L.80.

3.7 Subd. 10. **Indian Tribe.** "Indian Tribe" means the following federally recognized Tribes
3.8 and any instrumentality, political subdivision, legal entity, or other organization through
3.9 which one of them conducts business:

3.10 (1) the Fond du Lac Band;

3.11 (2) the Grand Portage Band;

3.12 (3) the Mille Lacs Band;

3.13 (4) the White Earth Band;

3.14 (5) the Bois Forte Band;

3.15 (6) the Leech Lake Band;

3.16 (7) the Red Lake Nation;

3.17 (8) the Upper Sioux Community;

3.18 (9) the Lower Sioux Indian Community;

3.19 (10) the Shakopee Mdewakanton Sioux Community; and

3.20 (11) the Prairie Island Indian Community.

3.21 Subd. 11. **In-game betting.** "In-game betting" means placing a mobile sports betting
3.22 wager after a sporting event has started but before the outcome of the wager is determined.

3.23 Subd. 12. **Mobile application.** "Mobile application" means an application on a mobile
3.24 phone or other device through which an individual is able to place a mobile sports betting
3.25 wager.

3.26 Subd. 13. **Mobile sports betting.** "Mobile sports betting" means operating, conducting,
3.27 or offering for play sports betting through the Internet.

3.28 Subd. 14. **Mobile sports betting account.** "Mobile sports betting account" means an
3.29 electronic ledger in which all of the following types of transactions relative to an authorized
3.30 participant are recorded:

- 4.1 (1) deposits and credits;
- 4.2 (2) withdrawals;
- 4.3 (3) mobile sports betting wagers;
- 4.4 (4) monetary value of winnings;
- 4.5 (5) service or other transaction related charges authorized by the authorized participant,
- 4.6 if any;
- 4.7 (6) adjustments to the account;
- 4.8 (7) promotional activity; and
- 4.9 (8) responsible gaming parameters.

4.10 Subd. 15. **Mobile sports betting operator.** "Mobile sports betting operator" means an

4.11 Indian Tribe that receives a license from the commissioner to operate, conduct, or offer for

4.12 play mobile sports betting under this section and sections 299L.11 to 299L.80.

4.13 Subd. 16. **Mobile sports betting platform.** "Mobile sports betting platform" means an

4.14 integrated system of hardware, software, or applications, including mobile applications and

4.15 servers, through which a mobile sports betting operator operates, conducts, or offers sports

4.16 betting through the Internet.

4.17 Subd. 17. **Mobile sports betting platform provider.** "Mobile sports betting platform

4.18 provider" means a sports betting supplier that contracts with a mobile sports betting operator

4.19 to provide a mobile sports betting platform.

4.20 Subd. 18. **Participant in a sporting event.** "Participant in a sporting event" means a

4.21 person engaging in a sporting event as a player, coach, or official, or who is an owner or

4.22 officer of a team engaging in a sporting event or the league or organization organizing the

4.23 sporting event.

4.24 Subd. 19. **Peer-to-peer wager.** "Peer-to-peer wager" means a wager placed between

4.25 two individuals in which one individual sets the conditions for a wager on a sporting event

4.26 and is matched against another individual who sets the opposite conditions for a wager for

4.27 the same sporting event, and the individuals are matched by a betting exchange.

4.28 Subd. 20. **Sporting event.** "Sporting event" means an athletic event, esports event,

4.29 college sports event, or other event approved by the commissioner to be an event eligible

4.30 for wagering under this section to section 299L.80.

5.1 Subd. 21. **Sports betting.** (a) "Sports betting" means wagering on the outcome of a
5.2 sporting event or portions thereof or individual performance statistics therein that is:

5.3 (1) organized by a professional sports organization, internationally recognized sports
5.4 organization, amateur sports organization, or a postsecondary educational institution or
5.5 group of postsecondary educational institutions; and

5.6 (2) approved by the commissioner to be an event eligible for wagering under this act.

5.7 (b) Sports betting includes but is not limited to single-game bets; futures bets; teaser
5.8 bets; parlay bets; over-under bets; money line bets; in-game betting; proposition bets; straight
5.9 bets; exchange wagering; futures bets placed on end of the season standings, awards, or
5.10 statistics; and any other bets approved by the commissioner.

5.11 (c) A contract for insurance on the life or health of a participant in a sporting event is
5.12 not sports betting regulated under this section to section 299L.80.

5.13 (d) A private social bet as described in section 609.75, subdivision 3, clause (5), is not
5.14 sports betting regulated under this section to section 299L.80.

5.15 (e) A sports-themed tipboard as described in section 349.12, subdivision 34, is not sports
5.16 betting regulated under this section to section 299L.80.

5.17 (f) A peer-to-peer wager placed on a betting exchange is not sports betting regulated
5.18 under this section and sections 299L.11 to 299L.80.

5.19 Subd. 22. **Sports betting supplier.** "Sports betting supplier" means a person that, either
5.20 directly or indirectly, provides mobile sports betting operators with services, goods, software,
5.21 or any other product or information necessary to conduct sports betting or determine the
5.22 outcome of wagers, including a person who provides data feeds and odds services, risk
5.23 management providers, and integrity monitoring providers. Sports betting supplier does not
5.24 include a sports governing body that provides raw statistical match data.

5.25 Subd. 23. **Sports governing body.** "Sports governing body" means an organization that
5.26 prescribes and enforces final rules and codes of conduct for a sporting event and participants
5.27 engaged in the sport. For a sporting event sanctioned by a higher education institution, sports
5.28 governing body means the athletic conference to which the institution belongs. For an esports
5.29 event, sports governing body means the video game publisher of the title used in the esports
5.30 competition.

5.31 Subd. 24. **Wager.** "Wager" means a transaction between an individual and a licensed
5.32 mobile sports betting operator in which an individual pays, deposits, or risks cash or a cash
5.33 equivalent during sports betting on an uncertain outcome of a sporting event. A fantasy

6.1 sports contest in which participants assemble teams of athletes and individuals and a winning
6.2 outcome is determined predominantly by the accumulated statistical results of performance
6.3 of individuals in actual events, is not wagering, and is not sports betting regulated under
6.4 this chapter or under rules adopted under the authority in this chapter.

6.5 Sec. 2. [299L.11] SCOPE.

6.6 Subdivision 1. Lawful mobile sports betting. A person 21 years of age or older may
6.7 participate in mobile sports betting within the state provided the person places all wagers
6.8 with an entity licensed under sections 299L.10 to 299L.80 and is not disqualified, prohibited,
6.9 or excluded from placing a wager on a sporting event.

6.10 Subd. 2. Unlawful sports betting. It is unlawful to wager on a sporting event, or engage
6.11 in sports betting except in compliance with the terms, conditions, limitations, and restrictions
6.12 of sections 299L.10 to 299L.80 or the rules adopted under those sections, other than class
6.13 III sports betting conducted by an Indian Tribe pursuant to a Tribal-state compact.

6.14 Subd. 3. Inapplicability to sports betting on Indian lands. Sections 299L.10 to 299L.80,
6.15 except for any provisions authorizing the negotiations of Tribal-state compacts, do not apply
6.16 to sports betting conducted exclusively on Indian lands by an Indian Tribe conducted pursuant
6.17 to a Tribal gaming ordinance approved by the National Indian Gaming Commission and a
6.18 Tribal-state compact.

6.19 Sec. 3. [299L.15] POWERS AND DUTIES OF COMMISSIONER.

6.20 Subdivision 1. Regulate sports betting. The commissioner has the power and duty to
6.21 regulate mobile sports betting authorized under sections 299L.10 to 299L.80. In making
6.22 rules, establishing policy, and regulating mobile sports betting, the commissioner shall:

6.23 (1) ensure that mobile sports betting is conducted in a fair and lawful manner;

6.24 (2) promote public safety and welfare; and

6.25 (3) ensure that mobile sports betting is conducted in a manner that is transparent to
6.26 authorized participants.

6.27 Subd. 2. Rulemaking. (a) The commissioner may adopt and enforce rules that are
6.28 consistent with sections 299L.10 to 299L.80 and address the following subjects:

6.29 (1) the manner in which wagers are accepted and payouts are remitted;

6.30 (2) the manner in which betting lines are communicated to the public;

7.1 (3) the calculation of gross sports betting revenue and standards for daily counting and
7.2 recording of cash and cash equivalents received in the conduct of sports betting;

7.3 (4) the method of accounting to be used by mobile sports betting operators;

7.4 (5) the types of records that shall be kept by mobile sports betting operators, mobile
7.5 sports betting platform providers, and sports betting suppliers;

7.6 (6) the testing and auditing requirements for licensees, including requirements related
7.7 to mobile sports betting accounts;

7.8 (7) the creation, funding, and use of mobile sports betting accounts, debit cards, and
7.9 checks by authorized participants provided that the rules permit an authorized participant
7.10 to fund a mobile sports betting account through a bonus or promotion, electronic bank
7.11 transfer, an online or mobile payment system that supports online money transfers, a
7.12 reloadable or prepaid card, and any other appropriate means approved by the commissioner
7.13 other than the use of credit cards;

7.14 (8) the appropriate standards and practices to prevent and address compulsive and
7.15 problem gambling;

7.16 (9) the appropriate standards and practices to prevent and address sports betting by
7.17 individuals who are not authorized participants or who are otherwise disqualified, prohibited,
7.18 or excluded from placing a wager on a sporting event;

7.19 (10) the sporting events on which wagers are authorized to be placed;

7.20 (11) the requirements for obtaining and retaining mobile sports betting operator licenses,
7.21 mobile sports betting platform provider licenses, and sports wagering supplier licenses,
7.22 including requirements for criminal and financial background checks, financial disclosure
7.23 and auditing requirements, data practices and security requirements, bonding or other surety
7.24 requirements, and the conduct of inspections;

7.25 (12) the requirements for mobile sports betting platform provider licensees to provide
7.26 equipment and supplies used in sports betting;

7.27 (13) the requirements for sports wagering supplier licensees to provide services, goods,
7.28 software, or any other product or information necessary to conduct sports betting or determine
7.29 the outcome of wagers;

7.30 (14) the requirements for employees of mobile sports betting operators whose exclusive
7.31 or primary responsibilities involve mobile sports betting, including minimum age

8.1 requirements, criminal background checks, and retention of documents related to the
8.2 employees;

8.3 (15) the appropriate limits, requirements, standards, and regulations related to marketing
8.4 and advertising, developed in consultation with the state affiliate recognized by the National
8.5 Council on Problem Gambling;

8.6 (16) the limits and requirements related to advertising, including:

8.7 (i) rules that prohibit depicting an individual under age 21 engaging in sports betting;

8.8 (ii) rules that prohibit advertisement in any print publication or on radio, television, or
8.9 any other medium if the targeted audience of that medium is reasonably expected to be
8.10 individuals who are under age 21; and

8.11 (iii) rules that establish what warnings and other information an advertisement must
8.12 contain; and

8.13 (17) the requirements for monitoring patterns of wagering to identify behaviors consistent
8.14 with problem gambling and the appropriate actions to take when problem gambling is
8.15 suspected, including pausing or suspending activities from an identified mobile sports betting
8.16 account.

8.17 (b) Rules for which notice is published in the State Register before January 1, 2025,
8.18 may be adopted using the expedited rulemaking process in section 14.389.

8.19 (c) The commissioner shall regularly review and update rules designed to prevent and
8.20 address compulsive and problem gambling to incorporate advances in the understanding of
8.21 compulsive and problem gambling and updated best practices in the area.

8.22 Subd. 3. **Requests for restrictions on wager types.** (a) A sports governing body may
8.23 request that the commissioner prohibit or restrict wagers on a particular sporting event, or
8.24 prohibit or restrict particular types of wagers if the sports governing body believes that such
8.25 type, form, or category of sports betting may undermine the integrity or perceived integrity
8.26 of the sports governing body or sporting event.

8.27 (b) Requests from a sports governing body shall be made in the form and manner
8.28 established by the commissioner.

8.29 (c) Upon receipt of a request made under this subdivision, the commissioner shall send
8.30 written notice to every mobile sports betting operator, provide mobile sports betting operators
8.31 with an opportunity to respond to the request, and consider any timely response submitted
8.32 by a mobile sports betting operator. The commissioner may not take action without providing

9.1 mobile sports betting operators with an opportunity to respond, but may establish reasonable
9.2 deadlines for the response based on the nature of the request and any exigent circumstances
9.3 that exist.

9.4 (d) If the commissioner determines that the sports governing body has shown good cause
9.5 to support the requested prohibition or restriction, the commissioner shall adopt the
9.6 prohibition or restriction and send notice of the prohibition or restriction to every mobile
9.7 sports betting operator. If the commissioner determines that the sports governing body has
9.8 not shown good cause to support the requested prohibition or restriction, the commissioner
9.9 shall provide the sports governing body with notice and an opportunity for a hearing to offer
9.10 further evidence in support of its request. The commissioner shall provide the mobile sports
9.11 betting operators with notice of the hearing and an opportunity to participate.

9.12 (e) The commissioner shall respond to a request concerning a particular event before
9.13 the start of the event, or if it is not feasible to respond before the start of the event, no later
9.14 than seven days after the request is made.

9.15 (f) If the commissioner determines that the requestor is more likely than not to prevail
9.16 in successfully demonstrating good cause for the request, the commissioner may provisionally
9.17 grant the request of the sports governing body until the commissioner makes a final
9.18 determination as to whether the requestor has demonstrated good cause. Absent such a
9.19 provisional grant, mobile sports betting operators may continue to offer sports betting on
9.20 covered sporting events that are the subject of the request during the pendency of the
9.21 commissioner's consideration of the applicable request.

9.22 Subd. 4. **Methods for identifying people at risk for gambling disorders.** The
9.23 commissioner must monitor the sports betting industry for the most effective methods to
9.24 identify people with a gambling disorder. The commissioner must adopt rules to implement
9.25 best practices to prevent sports betting by people flagged as having a gambling disorder or
9.26 being at risk of developing a gambling disorder.

9.27 Subd. 5. **Exclusion list audits.** The commissioner must periodically conduct audits on
9.28 the compliance of mobile sports betting platform providers and mobile sports betting
9.29 operators with any preclusions on sports betting in section 299L.45.

9.30 Subd. 6. **Delegation.** The commissioner may delegate any authority under this chapter
9.31 to the director if, in the judgment of the commissioner, doing so would promote the efficient
9.32 administration of this chapter.

10.1 **Sec. 4. [299L.20] LICENSE TYPES; TRANSFERS PROHIBITED.**

10.2 (a) The commissioner shall issue the following licenses for mobile sports betting:

10.3 (1) up to 11 mobile sports betting operator licenses;

10.4 (2) up to 11 mobile sports betting platform provider licenses;

10.5 (3) up to 11 mobile sports betting platform provider provisional licenses;

10.6 (4) sports betting supplier licenses; and

10.7 (5) sports betting supplier provisional licenses.

10.8 (b) Licenses issued under sections 299L.10 to 299L.80 may not be transferred.

10.9 **Sec. 5. [299L.25] GENERAL LICENSING REQUIREMENTS;**

10.10 **DISQUALIFICATIONS; BACKGROUND INVESTIGATIONS.**

10.11 Subdivision 1. General requirements. (a) A licensee or applicant must meet each of
10.12 the following requirements, if applicable, to hold or receive a license issued under sections
10.13 299L.10 to 299L.80:

10.14 (1) have completed an application for licensure or application for renewal;

10.15 (2) have paid the applicable application and licensing fees;

10.16 (3) not be employed by any state agency with regulatory authority over mobile sports
10.17 betting;

10.18 (4) not owe \$500 or more in delinquent taxes, penalties, or interest, with delinquent
10.19 taxes subject to the limitations under section 270C.72, subdivision 2;

10.20 (5) not have had a sales and use tax permit revoked by the commissioner of revenue
10.21 within the past two years; and

10.22 (6) not have, after demand, failed to file tax returns required by the commissioner of
10.23 revenue.

10.24 (b) The requirements under paragraph (a) apply to the applicant or licensee, or a director,
10.25 officer, partner, member of the governing body for the applicant or licensee, person in a
10.26 supervisory or management position of the applicant or licensee, or any direct or indirect
10.27 holder of more than ten percent financial interest in the applicant or licensee.

10.28 (c) The requirements under paragraph (a) do not apply to an elected or appointed
10.29 representative of any applicant or licensee that is an Indian Tribe unless the representative
10.30 is also a full-time employee of the applicant's or licensee's mobile sports betting operations.

11.1 Subd. 2. **Criminal offenses; disqualifications.** (a) No person may hold or receive a
11.2 license issued under sections 299L.10 to 299L.80 if the person has been convicted of, or
11.3 received a stay of adjudication for, a violation of a state or federal law that:

11.4 (1) is a felony, other than any act that would be a violation of section 152.025 under
11.5 Minnesota law;

11.6 (2) is a crime involving gambling; or

11.7 (3) is a crime involving theft or fraud that would be a gross misdemeanor or felony under
11.8 Minnesota law.

11.9 (b) The requirements under paragraph (a) apply to the applicant or licensee, or a director,
11.10 officer, partner, member of the governing body for the applicant or licensee, person in a
11.11 supervisory or management position of the applicant or licensee, or any direct or indirect
11.12 holder of more than ten percent financial interest in the applicant or licensee.

11.13 (c) The requirements under paragraph (a) do not apply to an elected or appointed
11.14 representative of any applicant or licensee that is an Indian Tribe unless the representative
11.15 is also a full-time employee of the applicant's or licensee's mobile sports betting operations.

11.16 Subd. 3. **Background investigation.** The commissioner must perform a background
11.17 investigation on applicants for a license or license renewal and on each director, officer,
11.18 partner, member of the governing body for the applicant or licensee, person in a supervisory
11.19 or management position of the applicant or licensee, or any direct or indirect holder of more
11.20 than ten percent financial interest in the applicant or licensee. The commissioner may request
11.21 the director and the commissioner of revenue to assist in investigating the background of
11.22 an applicant or a licensee under this section. The commissioner may charge an applicant
11.23 an investigation fee to cover the cost of the investigation and shall from this fee reimburse
11.24 the Division of Alcohol and Gambling Enforcement and the Department of Revenue for
11.25 their respective shares of the cost of the investigation. The commissioner is authorized to
11.26 have access to all data compiled by the Division of Alcohol and Gambling Enforcement on
11.27 licensees and applicants.

11.28 Subd. 4. **Criminal history record check.** The commissioner must perform a criminal
11.29 history record check on each officer, director, or stakeholder with more than ten percent
11.30 interest in the licensee or applicant. The records check must include a criminal history check
11.31 of the state and federal criminal records. The applicant or licensee must provide signed
11.32 consent for the national criminal history records check and fingerprints for each person
11.33 subject to a check under this subdivision. The director shall assist in performing the criminal
11.34 history records check. The director may charge an applicant a fee to cover the cost of the

12.1 criminal history record check, and shall from this fee reimburse the Division of Alcohol
 12.2 and Gambling Enforcement for its share of the cost of the investigation. The commissioner
 12.3 or the director must submit the signed informed consent, fingerprints, and Bureau of Criminal
 12.4 Apprehension and Federal Bureau of Investigation fees to the superintendent of the Bureau
 12.5 of Criminal Apprehension who is authorized to exchange the fingerprints with the Federal
 12.6 Bureau of Investigation to obtain the applicant's national criminal history data. The
 12.7 superintendent of the Bureau of Criminal Apprehension shall retrieve Minnesota criminal
 12.8 history data and shall provide the results of the state and federal criminal history record
 12.9 check to the director. The commissioner is authorized to have access to all criminal history
 12.10 data compiled on licensees and applicants by the Division of Alcohol and Gambling
 12.11 Enforcement, including criminal history data on each officer, director, or stakeholder with
 12.12 more than ten percent interest in the licensee or applicant.

12.13 Subd. 5. **Prohibition on use of information.** The provisions of this section only apply
 12.14 to mobile sports betting operations and do not apply to other activities relating to Tribal
 12.15 gaming operations, Tribal government records, or class III sports betting operations conducted
 12.16 exclusively on Indian lands.

12.17 Sec. 6. **[299L.26] LICENSE APPLICATION AND RENEWAL; GENERAL**
 12.18 **REQUIREMENTS; PROCEDURE.**

12.19 Subdivision 1. **Application; contents.** An application for a license under sections
 12.20 299L.10 to 299L.80 must be submitted on a form prescribed by the commissioner. At a
 12.21 minimum, the application must include:

12.22 (1) the name and address of the applicant and, if it is a corporation, the names of all
 12.23 officers, directors, and shareholders with more than ten percent interest in the corporation
 12.24 and any of its holding companies;

12.25 (2) the type of license being sought;

12.26 (3) if required by the commissioner, the names of any person holding directly, indirectly,
 12.27 or beneficially an interest of any kind in the applicant or any of its holding corporations,
 12.28 whether the interest is financial, administrative, policy making, or supervisory. This provision
 12.29 does not extend to individual Tribal members whose only relation to the applicant is their
 12.30 membership in their respective Tribal Nations, or to an elected or appointed representative
 12.31 of any applicant or licensee that is an Indian Tribe unless the representative is also a full-time
 12.32 employee of the applicant's or licensee's mobile sports betting operations;

13.1 (4) an affidavit executed by the applicant setting forth that, to the best of the applicant's
13.2 knowledge, no officer, director, or other person with a present direct or indirect financial
13.3 or management interest in the applicant:

13.4 (i) is in default in the payment of an obligation or debt to the state;

13.5 (ii) has ever been convicted of a crime listed in section 299L.25, subdivision 2, paragraph
13.6 (a), or has a state or federal charge for one of those crimes pending;

13.7 (iii) is or has been convicted of engaging in an illegal business;

13.8 (iv) has ever been found guilty of fraud or misrepresentation in connection with wagering;

13.9 or

13.10 (v) has ever knowingly violated a rule or order of the commissioner or a law of Minnesota
13.11 relating to wagering;

13.12 (5) an irrevocable consent statement, signed by the applicant, which states that suits and
13.13 actions limited to the enforcement of this chapter may be commenced against the applicant
13.14 by the commissioner in any court of competent jurisdiction in this state by the service on
13.15 the secretary of state of any summons, process, or pleadings authorized by the laws of this
13.16 state. If any summons, process, or pleadings is served upon the secretary of state, it must
13.17 be by duplicate copies. One copy must be retained in the Office of the Secretary of State
13.18 and the other copy must be forwarded immediately by certified mail to the address of the
13.19 applicant, as shown by the records of the commissioner;

13.20 (6) a declaration that the laws of the state of Minnesota will be followed, including any
13.21 applicable provisions of the Minnesota Human Rights Act, chapter 363A; and

13.22 (7) any additional information required for the specific license the applicant is seeking.

13.23 Subd. 2. **Application; process.** (a) Applicants must submit all required information to
13.24 the commissioner on the forms and in the manner prescribed by the commissioner.

13.25 (b) If the commissioner receives an application that fails to provide the required
13.26 information, the commissioner shall issue a deficiency notice to the applicant. The applicant
13.27 shall have ten business days from the date of the deficiency notice to submit the required
13.28 information.

13.29 (c) Failure by an applicant to submit all required information will result in the application
13.30 being rejected.

14.1 (d) Within 90 days of receiving a completed application, the commissioner shall issue
 14.2 the appropriate license or send the applicant a notice of rejection setting forth specific
 14.3 reasons why the commissioner did not approve the application.

14.4 (e) An applicant whose application is not approved may reapply at any time, but must
 14.5 submit a new application and pay an additional application fee.

14.6 Subd. 3. **Provisional license authorized.** The commissioner must issue provisional
 14.7 licensure in accordance with sections 299L.29 and 299L.30 within ten days of a platform
 14.8 provider or supplier registering with the commissioner and paying the registration fee.

14.9 **Sec. 7. [299L.27] DUTY TO UPDATE.**

14.10 (a) During the pendency of an application and at any time after a license has been issued,
 14.11 an applicant or licensee shall notify the commissioner of any changes to the information
 14.12 provided under section 299L.25 or 299L.26.

14.13 (b) If a change in the officers, directors, shareholders, or other persons with a present
 14.14 or future direct or indirect financial or management interest in a licensee, or a change of
 14.15 ownership of more than ten percent of the shares of the licensee is made after the application
 14.16 for a license is filed or a license is issued, the applicant or licensee must notify the
 14.17 commissioner of the changes within ten days of their occurrence and submit a new affidavit
 14.18 as required by section 299L.26, subdivision 1, clause 4.

14.19 **Sec. 8. [299L.28] MOBILE SPORTS BETTING OPERATOR LICENSE.**

14.20 Subdivision 1. **Issuance.** (a) The commissioner may issue up to 11 mobile sports betting
 14.21 operator licenses that are valid for 20 years. A mobile sports betting operator license may
 14.22 be renewed under conditions required by rule adopted pursuant to section 299L.15.

14.23 (b) The commissioner shall only issue a mobile sports betting operator license to an
 14.24 Indian Tribe that lawfully conducts class III gaming in a casino located in this state under
 14.25 a facility license issued in accordance with a Tribal gaming ordinance approved by the chair
 14.26 of the National Indian Gaming Commission.

14.27 (c) Each Indian Tribe described in paragraph (b) is not eligible for more than one mobile
 14.28 sports betting operator license.

14.29 Subd. 2. **Authorized actions.** A mobile sports betting operator license entitles the licensee
 14.30 to:

14.31 (1) operate, coordinate, conduct, or offer for play mobile sports betting in Minnesota;

15.1 (2) contract with one licensed mobile sports betting platform provider to facilitate the
15.2 acceptance of wagers on behalf of the mobile sports betting operator;

15.3 (3) contract with licensed sports betting suppliers; and

15.4 (4) perform any other actions approved by the commissioner to ensure that mobile sports
15.5 betting is conducted in a fair, lawful, and transparent manner.

15.6 Subd. 3. **Licensing requirements.** A mobile sports betting operator must:

15.7 (1) be an entity wholly owned and controlled by an Indian Tribe;

15.8 (2) submit a completed application and all required documents or other materials pursuant
15.9 to sections 299L.25 and 299L.26 and any relevant rules;

15.10 (3) submit a detailed plan and specifications for the implementation of mobile sports
15.11 betting;

15.12 (4) include mechanisms on its mobile sports betting platform that are designed to detect
15.13 and prevent the unauthorized use of mobile sports betting accounts and to detect and prevent
15.14 fraud, money laundering, and collusion, or require a contracted mobile sports betting platform
15.15 provider to include those mechanisms;

15.16 (5) submit a statement of the assets and liabilities of the license holder to the
15.17 commissioner;

15.18 (6) not be disqualified under section 299L.25 or any relevant rules;

15.19 (7) pay an annual licensing fee in the amount of \$2,125; and

15.20 (8) meet any other conditions required by rule adopted pursuant to section 299L.15.

15.21 Subd. 4. **Reporting.** A mobile sports betting operator must report to the commissioner
15.22 monthly on wagers placed and redeemed during the reporting month and outstanding at the
15.23 time of the report.

15.24 Subd. 5. **Prohibition on use of information.** The provisions of this section only apply
15.25 to mobile sports betting operations in this state and do not apply to other activities relating
15.26 to Tribal gaming operations, Tribal government records, or class III sports betting operations
15.27 conducted exclusively on Indian lands.

15.28 Sec. 9. **[299L.29] MOBILE SPORTS BETTING PLATFORM PROVIDER LICENSE.**

15.29 Subdivision 1. **Issuance.** The commissioner may issue up to 11 mobile sports betting
15.30 platform provider licenses that are valid for one year. A mobile sports betting platform

16.1 provider license may be renewed under conditions required by rule adopted pursuant to
16.2 section 299L.15.

16.3 Subd. 2. **Authorized actions.** A mobile sports betting platform provider license entitles
16.4 the licensee to provide a sports betting platform, sports betting technology, sports betting
16.5 applications, or associated mobile sports betting hardware, software, or equipment to a
16.6 mobile sports betting operator.

16.7 Subd. 3. **Licensing requirements.** For initial licensure and subsequent license renewal,
16.8 a mobile sports betting platform provider must:

16.9 (1) submit a completed application and all required documents or other materials pursuant
16.10 to sections 299L.25 and 299L.26 and any relevant rules;

16.11 (2) not be disqualified under section 299L.25 or any relevant rules;

16.12 (3) pay an application fee of \$16,500 with submission of an application;

16.13 (4) pay a licensing fee after the application is approved in the amount of \$250,000 or a
16.14 license renewal fee of \$83,000; and

16.15 (5) meet any other conditions required by rule adopted pursuant to section 299L.15.

16.16 Subd. 4. **Provisional license authorized.** Any mobile sports betting platform provider
16.17 that is licensed to conduct sports betting in the state of Iowa as of February 1, 2024, shall
16.18 be granted a provisional mobile sports betting platform provider license under this section.
16.19 The provisional license expires the earlier of the date the application for full licensure has
16.20 been approved or denied, or December 31, 2025. During the period of provisional licensure,
16.21 a mobile sports betting platform provider must be partnered with an Indian Tribe. To obtain
16.22 a provisional license, a mobile sports betting platform provider must register with the
16.23 commissioner and pay a registration fee of \$250,000. All provisional licenses issued by the
16.24 commissioner must be effective on the same day for mobile sports betting platform providers
16.25 who register by a date set by the commissioner.

16.26 Sec. 10. **[299L.30] SPORTS BETTING SUPPLIER LICENSE.**

16.27 Subdivision 1. **Issuance.** The commissioner may issue sports betting supplier licenses
16.28 that are valid for one year. A sports betting supplier license may be renewed under conditions
16.29 required by rule adopted pursuant to section 299L.15.

16.30 Subd. 2. **Authorized actions.** A sports betting supplier license entitles the licensee to
16.31 either directly or indirectly provide mobile sports betting operators with information and
16.32 support necessary to offer mobile sports betting. Information and support may be provided

17.1 in the form of services, goods, or software, and may include data feeds and odds services,
17.2 risk management, and integrity monitoring.

17.3 Subd. 3. **Licensing requirements.** (a) For initial licensure and subsequent license
17.4 renewal, a sports betting supplier must:

17.5 (1) submit a completed application and all required documents for the applicant's principal
17.6 owners who directly own ten percent or more of the applicant and the applicant's officers;

17.7 (2) pay an application fee of \$16,500 with submission of an application;

17.8 (3) pay a licensing fee after the application is approved in the amount of \$75,000 or a
17.9 license renewal fee of \$33,000; and

17.10 (4) meet any other conditions required by rule adopted pursuant to section 299L.15.

17.11 (b) Provided an application has been completed to the satisfaction of the commissioner,
17.12 disclosure of the following public information may be waived:

17.13 (1) statutorily authorized pension investment boards that are direct or indirect shareholders
17.14 of an applicant; and

17.15 (2) investment funds or entities registered with the Securities and Exchange Commission,
17.16 including any investment advisors or entities under the management of an entity registered
17.17 with the Securities and Exchange Commission, that are direct or indirect shareholders of
17.18 the applicant.

17.19 Subd. 4. **Provisional license authorized.** Any mobile sports betting supplier that is
17.20 licensed to conduct sports betting in the state of Iowa as of February 1, 2024, shall be granted
17.21 a provisional mobile sports betting supplier license under this section. The provisional
17.22 license expires the earlier of the date the application for full licensure has been approved
17.23 or denied, or December 31, 2025. To obtain a provisional license, a sports betting supplier
17.24 must register with the commissioner and pay a registration fee of \$75,000.

17.25 Sec. 11. **[299L.35] PARTNERSHIP ALLOWED.**

17.26 Subdivision 1. **Ability to contract with platform providers.** (a) A mobile sports betting
17.27 operator may, but is not required to, contract with a mobile sports betting platform provider
17.28 to provide, create, or operate sports betting platforms, sports betting technology, sports
17.29 betting applications, or associated mobile sports betting hardware, software, or equipment.

17.30 (b) If a mobile sports betting operator chooses to contract with a mobile sports betting
17.31 platform provider for these services, it shall contract with no more than one mobile sports
17.32 betting platform provider.

18.1 (c) If a mobile sports betting operator chooses not to contract with a mobile sports betting
18.2 platform provider for these services, the mobile sports betting operator must comply with
18.3 the reporting and regulatory requirements held by mobile sports betting platform provider
18.4 license holders.

18.5 Subd. 2. **Logo display required.** A mobile sports betting platform provider that has
18.6 contracted with a mobile sports betting operator must clearly display a brand of the mobile
18.7 sports betting operator within its mobile application.

18.8 **Sec. 12. [299L.36] DEPOSIT OF FEES.**

18.9 Application, registration, license, and renewal fees shall be deposited in the general
18.10 fund.

18.11 **Sec. 13. [299L.37] ADVERTISING.**

18.12 Subdivision 1. **Advertising content.** All advertisements for mobile sports betting must
18.13 display "1-800-GAMBLER" or other national toll-free numbers approved by the
18.14 commissioner for information and referral services for compulsive and problem gambling
18.15 and must provide a warning, as specified by the commissioner, that gambling may be
18.16 addictive and may cause financial hardship.

18.17 Subd. 2. **Prohibition on targeting individuals under age 21.** No licensee or other
18.18 person shall publish or cause to be published an advertisement for mobile sports betting
18.19 that:

18.20 (1) depicts a person under age 21 engaging in sports betting or mobile sports betting;

18.21 (2) includes an image that is designed to be appealing to individuals under age 21 or
18.22 encourage sports betting by individuals under age 21; or

18.23 (3) is in any print publication or on radio, television, or any other medium if 30 percent
18.24 or more of the audience of that medium is reasonably expected to be individuals who are
18.25 under age 21, as determined by reliable, current audience composition data.

18.26 Subd. 3. **Prohibition on targeting individuals prohibited from placing wagers.** No
18.27 licensee or other person shall publish or cause to be published an advertisement for mobile
18.28 sports betting that targets individuals who are disqualified, prohibited, or excluded from
18.29 placing a wager on a sporting event for any reason, including being identified on the exclusion
18.30 list identified in section 299L.45, subdivision 1.

19.1 Subd. 4. Prohibition on advertising in certain locations. No advertising, marketing,
19.2 or other promotional materials may be published, aired, displayed, disseminated, or
19.3 distributed by or on behalf of a mobile sports betting operator or mobile sports betting
19.4 platform provider for sports betting:

19.5 (1) on any elementary or secondary school property;

19.6 (2) on any college or university campus property, unless that advertising is generally
19.7 available and primarily directed at a general audience, not specific to the college or university,
19.8 or its students; or

19.9 (3) in college-owned or university-owned news assets.

19.10 Subd. 5. Prohibition on false or misleading claims. No licensee or other person shall
19.11 publish or cause to be published an advertisement for mobile sports betting that contains
19.12 false or misleading claims or which contains statements, words, or pictures of an obscene,
19.13 indecent, or immoral character, or would offend public morals or decency.

19.14 Subd. 6. Ads for mobile sports betting. Any advertisement for mobile sports betting
19.15 referencing a promotion shall:

19.16 (1) disclose applicable terms if the authorized participant must risk or lose the authorized
19.17 participant's own funds as part of the promotion or if such promotion has conditions that
19.18 an authorized participant's own funds must be used to qualify for such promotion;

19.19 (2) not be described as "risk-free" if the authorized participant needs to incur any loss
19.20 or risk the authorized participant's own money to use or withdraw winnings from the risk-free
19.21 bet; and

19.22 (3) not restrict the authorized participant from withdrawing the authorized participant's
19.23 own funds or withdraw winnings from bets placed using the authorized participant's own
19.24 funds.

19.25 Subd. 7. Partnerships with colleges and universities. Partnerships between mobile
19.26 sports betting operators or mobile sports betting platform providers and colleges or
19.27 universities shall not include any component that advertises, markets, or promotes sports
19.28 betting activity unless such partnerships are exclusively with alumni networks or are content
19.29 that is exclusively focused on responsible gambling education or problem gambling
19.30 awareness.

19.31 Subd. 8. Amateur athletes in ads. Mobile sports betting operators or mobile sports
19.32 betting platform providers shall not enter name, image, and likeness endorsements or
19.33 partnerships with amateur athletes in the state.

20.1 Sec. 14. **[299L.40] WAGERING.**

20.2 Subdivision 1. **Placing wagers.** An individual who is 21 years of age or older may place
20.3 wagers pursuant to sections 299L.10 to 299L.80 provided the individual is not otherwise
20.4 disqualified, prohibited, or excluded from doing so.

20.5 Subd. 2. **Wager type.** A mobile sports betting operator, or a mobile sports betting
20.6 platform provider on behalf of a mobile sports betting operator, may only accept wagers of
20.7 a type previously approved by the commissioner. Wager types that the commissioner may
20.8 approve include but are not limited to the following:

20.9 (1) a wager that a participant or participating team will win a sporting event or will win
20.10 by a specified number of points;

20.11 (2) a wager as to whether the total points scored in a sporting event will be higher or
20.12 lower than a number specified;

20.13 (3) a wager on an outcome contingency or proposition incidental to a sporting event,
20.14 series, tournament, or season for which the outcome is published in newspapers of general
20.15 circulation or in records made publicly available by the league or governing body for the
20.16 event;

20.17 (4) a wager on the outcome of a series of two or more sporting events or a series of two
20.18 or more contingencies incidental to a sporting event;

20.19 (5) in-game betting;

20.20 (6) future bets placed on end of the season standings, awards, or statistics; and

20.21 (7) a wager that a participant or participating team will win an esports event or will win
20.22 by a specified number of points.

20.23 Subd. 3. **Wager types prohibited.** Mobile sports betting operators shall not offer or
20.24 accept wagers on the occurrence or outcomes of the following situations that may occur
20.25 during or after a sporting event:

20.26 (1) player injuries;

20.27 (2) penalties;

20.28 (3) the outcome of player disciplinary rulings; or

20.29 (4) replay reviews.

21.1 Subd. 4. **Mobile sports betting account; establishment.** (a) An individual may establish
21.2 a mobile sports betting account by electronic means from any location, and may fund an
21.3 account by any means approved by the commissioner.

21.4 (b) Unless otherwise prohibited by state or federal law or regulation, upon written request
21.5 by a mobile sports betting operator to a mobile sports betting platform provider, the mobile
21.6 sports betting platform provider must provide access to the name, email address, physical
21.7 mailing address, and record of mobile sports wagers placed and use of free bets or
21.8 promotional play in this state of an authorized participant who establishes a mobile sports
21.9 betting account in Minnesota. The mobile sports betting operator may store and use this
21.10 state-authorized participant data for ordinary business purposes. This section does not apply
21.11 to individuals on the exclusion list in section 299L.45, subdivision 1.

21.12 Subd. 5. **Consideration; mobile sports betting account.** (a) A mobile sports betting
21.13 operator or mobile sports betting platform provider must not accept a wager unless the
21.14 authorized participant provides consideration in the form of funds or other thing of value
21.15 such as use of free bets or promotional credits from their mobile sports betting account at
21.16 the time of making the wager.

21.17 (b) Consideration must be in the form of withdrawal from a mobile sports betting account
21.18 maintained by the mobile sports betting operator or mobile sports betting platform provider
21.19 for the benefit of and in the name of the wagerer.

21.20 (c) A mobile sports betting operator, or a mobile sports betting platform provider on
21.21 behalf of a mobile sports betting operator, shall verify an individual's age and identity before
21.22 allowing that individual to place a wager. Mobile sports betting operators and mobile sports
21.23 betting platform providers may utilize an approved identity verification service provider to
21.24 confirm an individual's age and identity.

21.25 (d) A person shall have the right to withdraw the balance of funds in the mobile sports
21.26 betting account in the person's name at any time with proof of identity, as determined by
21.27 rules adopted pursuant to section 299L.15.

21.28 Subd. 6. **Personal limits; mobile sports betting account.** (a) A mobile sports betting
21.29 account must provide a mechanism for a person to set limits on the amount of time the
21.30 individual spends on the mobile sports betting platform, set limits on the amount of money
21.31 the individual spends on the platform, and self-exclude from using the mobile sports betting
21.32 platform. A mobile sports betting account provider must allow a person to set the following
21.33 limits for the person's mobile sports betting account:

21.34 (1) a limit on the amount that can be deposited within a specified period;

22.1 (2) a limit on the amount wagered within a specified period; and

22.2 (3) a limit on the time spent placing bets.

22.3 (b) The mobile sports betting account must not allow the account to be used to place
22.4 bets when the person has exceeded a limit the person has set. The mobile sports betting
22.5 account provider must provide notice to the person of the opportunity to set limits at the
22.6 time the person sets up the account and annually after setup, and must require a person to
22.7 either set limits or affirm that the person does not want to set any limits at account setup
22.8 and annually after setup. The notice must be worded and formatted as specified by the
22.9 commissioner.

22.10 Subd. 7. **Personal limits on wagering.** (a) A mobile sports betting operator or mobile
22.11 sports betting platform provider must allow a person to establish the following types of
22.12 limits on their own wagering activity:

22.13 (1) a limit on the amount the person can wager in a 24-hour period;

22.14 (2) a limit on the amount the person can wager in a 30-day period;

22.15 (3) the maximum amount the person may deposit into a mobile sports betting account
22.16 in a 24-hour period;

22.17 (4) the maximum amount of time the person can be logged into a mobile sports betting
22.18 program in a 24-hour period; and

22.19 (5) a cooling-off period during which time the person is not able to place wagers.

22.20 (b) Pursuant to subdivision 6, a mobile sports betting operator or mobile sports betting
22.21 platform provider must set the limits in paragraph (a) to the following default limits for a
22.22 new account, subject to any limits established by law:

22.23 (1) \$500 is the default amount of wagers a person can place in a 24-hour period before
22.24 the person is prohibited from wagering;

22.25 (2) \$3,000 is the default limit on the amount a person can wager in a 30-day period
22.26 before the person is prohibited from wagering;

22.27 (3) \$500 is the default maximum amount a person may deposit into the person's mobile
22.28 sports betting account in a 24-hour period; and

22.29 (4) 72 hours is the default length of a cooling-off period if a person requests a cooling-off
22.30 period during which time wagers from the person cannot be accepted.

23.1 (c) A mobile sports betting operator or mobile sports betting platform provider must not
23.2 accept a wager from a person in a cooling-off period or in an exclusion period set by a
23.3 person in paragraph (a) or, if the person does not set exclusion periods under paragraph (a),
23.4 during the default exclusion periods established in paragraph (b).

23.5 (d) A mobile sports betting operator must allow a person to make changes to their
23.6 exclusion settings under paragraph (a) in ways that make them more restrictive at any time
23.7 and those limits must take effect immediately. Changes that make the exclusion settings
23.8 under paragraph (a) less restrictive become effective seven days after the person makes the
23.9 change.

23.10 (e) A mobile sports betting operator must require a person to review the limits in
23.11 paragraph (a) annually.

23.12 (f) A mobile sports betting operator must report to the commissioner when a person
23.13 becomes excluded due to exceeding a limit set under paragraph (a) or (b). The commissioner
23.14 must immediately communicate to other licensed mobile sports betting operators or mobile
23.15 sports betting platform providers as necessary to make the exclusion effective across all
23.16 opportunities for participating in sports betting in Minnesota.

23.17 Subd. 8. **Wager location.** Mobile sports betting wagers regulated under sections 299L.10
23.18 to 299L.80 may only be accepted from a person placing a wager online, through a website
23.19 or mobile application, while the person placing the wager is physically within the state. The
23.20 website or application may be hosted by a mobile sports betting operator operating in
23.21 conjunction with a mobile sports betting platform provider. The incidental routing of a
23.22 mobile sports wager shall not determine the location or locations in which the wager is
23.23 initiated, received, or otherwise made.

23.24 Subd. 9. **Information provided at the time of wager.** A mobile sports betting operator
23.25 or mobile sports betting platform provider must disclose the betting line and terms of a
23.26 wager prior to accepting a wager. Terms of the wager include the ratio of the amount to be
23.27 paid for winning to the wagered amount.

23.28 Subd. 10. **Outcome determined.** A mobile sports betting operator or mobile sports
23.29 betting platform provider must not accept a wager on the outcome of an event or proposition
23.30 that has already been determined.

23.31 Subd. 11. **Receipt.** A mobile sports betting operator must provide a person who places
23.32 a wager with an electronic receipt at the time of sale that contains the following information:

23.33 (1) the sporting event or proposition that is the subject of the wager;

24.1 (2) the outcome that will constitute a win on the wager;

24.2 (3) the amount wagered; and

24.3 (4) the payout in the event of a winning wager.

24.4 Subd. 12. **Wager data; safeguards necessary.** (a) Information regarding wagers made
 24.5 by an authorized participant may be stored and used pursuant to subdivision 4, paragraph
 24.6 (c).

24.7 (b) Mobile sports betting operators must use commercially reasonable methods to
 24.8 maintain the security of wager data, authorized participant data, and other confidential
 24.9 information from unauthorized access and dissemination, however, that nothing in this act
 24.10 shall preclude the use of Internet or cloud-based hosting of such data and information or
 24.11 disclosure as required by court order, other law, or this act.

24.12 Sec. 15. **[299L.41] PROHIBITION ON PUSH NOTIFICATIONS.**

24.13 (a) Mobile sports betting operators and mobile sports betting platform providers are
 24.14 prohibited from sending a message from a mobile sports betting application or website that
 24.15 appears on a user's device while the application or website is inactive unless the message
 24.16 is sent to notify the user of potentially fraudulent activity associated with the user's mobile
 24.17 sports betting account, to support responsible gaming, or to verify the user's identity.

24.18 (b) Mobile sports betting operators and mobile sports betting platform providers are
 24.19 prohibited from sending a message that advertises or promotes sports betting from a mobile
 24.20 sports betting application or website to appear on a user's device while the user is setting
 24.21 self-imposed restrictions under section 299L.45, unless the message is sent to support
 24.22 responsible gaming or to verify the user's identity.

24.23 Sec. 16. **[299L.45] EXCLUSION LIST AND PROHIBITION ON WAGERING.**

24.24 Subdivision 1. **Exclusion list.** (a) The commissioner shall maintain a list of persons who
 24.25 are not eligible to wager on sporting events through a mobile sports betting operator. The
 24.26 list shall include the names of:

24.27 (1) persons who have themselves requested to be on the exclusion list;

24.28 (2) persons whose names have been submitted, for their protection, by their legal
 24.29 guardians;

24.30 (3) persons whose names have been submitted by mobile sports betting operators, mobile
 24.31 sports betting platform providers, or mobile sports betting suppliers for good cause; and

25.1 (4) persons whose names have been submitted by sports governing bodies.

25.2 (b) A person who has requested to be on the exclusion list may specify a time limit of
25.3 one, three, or five years or for a person's lifetime for the person's name to be on the list. The
25.4 commissioner will remove the person's name from the list at the conclusion of the specified
25.5 time. A person whose name was added to the exclusion list under paragraph (a), clause (3)
25.6 or (4), may be removed from the list before the specified time by providing proof of
25.7 completion of a program approved by the commissioner to address compulsive gambling.

25.8 (c) The information contained on the list is private data on individuals, as defined in
25.9 section 13.02, subdivision 12, except the commissioner is permitted to share the list with
25.10 mobile sports betting operators as needed to prevent persons on the exclusion list from
25.11 placing sports betting wagers.

25.12 (d) A mobile platform provider must provide a user the opportunity to request the person's
25.13 name and exclusion request to the list maintained under this section.

25.14 (e) The commissioner must provide through the agency's website a form for a person to
25.15 make a request to be included on the exclusion list for a specified time under paragraph (b).

25.16 Subd. 2. **Prohibited wagers by certain persons.** The following individuals who are
25.17 otherwise authorized to place wagers are prohibited from placing the wagers described:

25.18 (1) an individual who is prohibited from placing wagers by a mobile sports betting
25.19 operator or mobile sports betting platform provider for good cause, including but not limited
25.20 to any individual placing a wager as an agent or proxy on behalf of another may not place
25.21 a wager of any kind;

25.22 (2) an individual who is an athlete, coach, referee, player, health care provider, or team
25.23 employee is prohibited from wagering on a sporting event overseen by that person's sports
25.24 governing body;

25.25 (3) an individual who holds a position of authority sufficient to exert influence over the
25.26 participants in a sporting event, including, but not limited to, a coach, manager, or owner
25.27 is prohibited from wagering on that sporting event; and

25.28 (4) an individual who has access to certain types of exclusive or nonpublic information
25.29 regarding a sporting event is prohibited from wagering on that sporting event and any other
25.30 sporting event overseen by the sports governing body of that sporting event.

25.31 Subd. 3. **Prohibition on accepting wagers.** (a) A mobile sports betting operator or
25.32 mobile sports betting platform provider shall not knowingly accept a wager from a person

26.1 on the exclusion list or allow a person on the exclusion list to establish a mobile sports
26.2 betting account.

26.3 (b) A mobile sports betting operator or a mobile sports betting platform provider shall
26.4 not knowingly accept a wager prohibited under subdivision 2 from any individual who can
26.5 reasonably be identified by publicly available information or by any lists provided to the
26.6 commissioner.

26.7 (c) Knowingly accepting a wager from a person on the exclusion list is a license violation,
26.8 subject to a penalty established by the commissioner.

26.9 Subd. 4. **Prohibition on advertising.** A platform provider and operator are prohibited
26.10 from contacting a person through communications in a mobile sports betting application,
26.11 email, text, or telephone call, for the purpose of advertising or promoting sports betting
26.12 during the following periods:

26.13 (1) during a period of betting restrictions under this section; and

26.14 (2) after the period of betting restrictions under this section is over, until the person
26.15 places a bet through the platform or with the operator.

26.16 **Sec. 17. [299L.50] FINANCIAL RESPONSIBILITY.**

26.17 Subdivision 1. **Responsibility for satisfying winning wagers.** A wager on a sporting
26.18 event placed with a mobile sports betting operator is an enforceable contract. A mobile
26.19 sports betting operator or mobile sports betting platform provider who accepts a wager bears
26.20 all risk of loss to satisfy winnings on the wager. A wager that is not redeemed within one
26.21 year of the outcome that is the subject of the wager may be canceled by the mobile sports
26.22 betting operator and its sports betting platform provider.

26.23 Subd. 2. **Cash reserves.** (a) A mobile sports betting operator shall, in conjunction with
26.24 the mobile sports betting platform provider, maintain cash reserves in an amount that is not
26.25 less than the greater of \$25,000 or the sum of the following three amounts:

26.26 (1) amounts held by the mobile sports betting operator for the mobile sports betting
26.27 accounts of authorized participants;

26.28 (2) amounts accepted by the mobile sports betting operator as wagers on contingencies
26.29 whose outcome have not been determined; and

26.30 (3) amounts owed but unpaid by the mobile sports betting operator on winning wagers
26.31 through the period established by the operator, subject to time limits set by the commissioner,
26.32 for honoring winning wagers.

27.1 (b) Such reserves shall be held in the form of cash or cash equivalents segregated from
27.2 operational funds, payment processor reserves and receivables, any bond, an irrevocable
27.3 letter of credit, or any combination thereof.

27.4 Subd. 3. **Bond.** A mobile sports betting operator or mobile sports betting platform
27.5 provider shall be required to post a bond, securities, or an irrevocable letter of credit in an
27.6 amount the commissioner deems necessary after taking into consideration the amount of
27.7 the mobile sports betting operator's cash reserves, to protect the financial interests of people
27.8 wagering on sporting events. If securities are deposited or an irrevocable letter of credit
27.9 filed, the securities or letter of credit must be of a type or in the form provided under section
27.10 349A.07, subdivision 5, paragraphs (b) and (c).

27.11 **Sec. 18. [299L.51] INTEGRITY MONITORING.**

27.12 (a) Each mobile sports betting operator or mobile sports betting platform provider must
27.13 contract with a licensed independent integrity monitoring provider in order to identify any
27.14 unusual betting activity or patterns that may indicate a need for further investigation. The
27.15 commissioner shall establish minimum standards requiring each mobile sports betting
27.16 operator or mobile sports betting platform provider to participate in the monitoring system
27.17 as part of that licensee's minimum internal control standards.

27.18 (b) If any unusual betting activity is deemed by independent integrity monitoring provider
27.19 to have risen to the level of suspicious betting activity, then the independent integrity
27.20 monitoring provider shall immediately report the suspicious activity to the commissioner,
27.21 all mobile sports betting operator or mobile sports betting platform provider licensees that
27.22 contract with that integrity provider, and the sports governing body that governs the sporting
27.23 event on which the suspicious activity was deemed to have taken place.

27.24 (c) The commissioner, mobile sports betting operators, and any sports governing body
27.25 that receives the information described in paragraph (b) from an independent integrity
27.26 monitoring provider must maintain the confidentiality of the information, and use the
27.27 information solely for purposes of investigating or preventing the conduct described in this
27.28 section unless disclosure is required by this act, the commissioner, other law, or court order,
27.29 or unless the sports governing body consents to disclosure. The information may not be
27.30 used for any commercial or other purpose.

27.31 (d) Notwithstanding paragraph (c), a sports governing body may make disclosures
27.32 necessary to conduct and resolve integrity-related investigations and may publicly disclose
27.33 such information if required by the sports governing body's integrity policies or if deemed
27.34 by the sports governing body in its reasonable judgment to be necessary to maintain the

28.1 actual or perceived integrity of its sporting events. Before a public disclosure that would
28.2 identify the mobile sports betting operator by name, the sports governing body will provide
28.3 the mobile sports betting operator with notice of the disclosure and an opportunity to object
28.4 to the disclosure.

28.5 Sec. 19. **[299L.53] RECORD KEEPING; INFORMATION SHARING.**

28.6 Subdivision 1. **Record retention.** Mobile sports betting operators shall maintain records
28.7 of all bets and wagers placed, including personally identifiable information of an authorized
28.8 participant, amount and type of wager, time the wager was placed, location of the wager,
28.9 including IP address if applicable, the outcome of the wager, and records of abnormal betting
28.10 activity for 3-1/2 years after the sporting event occurs. Mobile sports betting operators shall
28.11 make the data described in paragraphs (a) and (b) available for inspection upon request of
28.12 the commissioner or as required by court order.

28.13 Subd. 2. **Anonymization required.** Mobile sports betting operators shall use
28.14 commercially reasonable efforts to maintain in real time and at the account level anonymized
28.15 information regarding an authorized participant, amount and type of wager, the time the
28.16 wager was placed, the location of the wager, including the IP address if applicable, the
28.17 outcome of the wager, and records of abnormal betting activity. Nothing in this section shall
28.18 require a mobile sports betting operator to provide any information that is prohibited by
28.19 federal, state, or local laws or regulations, including laws and regulations relating to privacy
28.20 and personally identifiable information.

28.21 Subd. 3. **Information sharing.** (a) If a sports governing body has notified the
28.22 commissioner that access to the information described in subdivision 2 for wagers placed
28.23 on sporting events of the sports governing body is necessary to monitor the integrity of such
28.24 body's sporting events, then mobile sports betting operators shall share, in a commercially
28.25 reasonable frequency, form, and manner, with the sports governing body or its designees
28.26 the information under subdivision 2 with respect to sports wagers on sporting events of such
28.27 sports governing body.

28.28 (b) Sports governing bodies and their designees may only use information received under
28.29 this section for integrity-monitoring purposes and may not use information received under
28.30 this section for any commercial or other purpose.

28.31 (c) Mobile sports betting operators must share, in a time and manner prescribed by the
28.32 commissioner, the information described in subdivisions 1 and 2 with the University of
28.33 Minnesota for the purpose of conducting research to ensure the integrity of sports betting
28.34 or assist the commissioner of human services in improving state-funded services related to

29.1 responsible gambling and problem gambling. Information that the University of Minnesota
 29.2 receives from mobile sports betting operators under this paragraph constitutes data on the
 29.3 mobile sports betting operator and is classified as nonpublic data, as defined by section
 29.4 13.02. The University of Minnesota must not disclose the information to any person, except
 29.5 for the purpose of conducting the research described in this paragraph, as part of a
 29.6 peer-reviewed research report, or pursuant to an agreement between the University of
 29.7 Minnesota and the mobile sports betting operators or sports governing body.

29.8 (d) Nothing in this section shall require a mobile sports betting operator to provide any
 29.9 information that is prohibited by federal, state, or local laws or regulations, including without
 29.10 limitation laws and regulations relating to privacy and personally identifiable information.

29.11 **Sec. 20. [299L.55] INSPECTION AND AUDITING OF LICENSEES.**

29.12 Subdivision 1. **Inspection.** The commissioner and the director are authorized to inspect
 29.13 the accounting records of licensees at any time provided the licensee is given notice at least
 29.14 24 hours before the inspection. This provision only applies to mobile sports betting operations
 29.15 and does not authorize the inspection of records related to Tribal gaming operations, Tribal
 29.16 governmental records, or class III sports betting operations conducted exclusively on Tribal
 29.17 lands.

29.18 Subd. 2. **Annual audit.** To ensure compliance with this chapter and rules adopted under
 29.19 this chapter, a mobile sports betting operator must contract with an independent third party
 29.20 to perform a financial audit, consistent with the standards established by the Public Company
 29.21 Accounting Oversight Board or using the Statements on Accounting standards issued by
 29.22 the Audit Standards Board of the American Institute of Certified Public Accountants. The
 29.23 mobile sports betting operator must submit the audit to the commissioner for examination
 29.24 and inspection within 120 days of the end of its fiscal year.

29.25 **Sec. 21. [299L.60] LICENSE VIOLATIONS; ENFORCEMENT.**

29.26 Subdivision 1. **Schedule of penalties.** The commissioner must adopt rules that provide
 29.27 a graduated schedule of penalties for violations of license requirements under statute or
 29.28 rule. The schedule must specify penalties that may range from warnings and probation
 29.29 periods to civil fines, temporary suspension of licenses, or revocation of licenses.

29.30 Subd. 2. **Authority to act.** (a) The commissioner may issue administrative orders, impose
 29.31 civil penalties, and suspend, revoke, or not renew a license issued pursuant to sections
 29.32 299L.10 to 299L.80 if the commissioner determines that a licensee has committed or is
 29.33 about to commit a violation of those sections or rules adopted pursuant to those sections,

30.1 or if the commissioner determines that the licensee is disqualified or ineligible to hold a
30.2 license pursuant to section 299L.25 or 299L.26. A conviction for a violation of section
30.3 299L.80 is not required for the commissioner to take action on a violation.

30.4 (b) Enforcement actions, license suspensions, license revocations, or license nonrenewals
30.5 related to a specific mobile sports betting operator shall not impact or limit the ability of
30.6 another mobile sports betting operator to conduct, offer, or offer for play mobile sports
30.7 betting.

30.8 Subd. 3. **Temporary suspension.** (a) The commissioner may temporarily, without
30.9 hearing, suspend the license and operating privilege of any licensee for a period of up to 90
30.10 days if there is clear and convincing evidence that:

30.11 (1) conduct of a licensee, or anticipated failure of a licensee to fulfill an obligation,
30.12 requires immediate action to protect the public from harm;

30.13 (2) the licensee has not timely filed a tax return or paid the tax required under chapter
30.14 297J; or

30.15 (3) the licensee has not timely paid all license fees or penalties due under sections 299L.10
30.16 to 299L.80.

30.17 (b) The commissioner shall notify the licensee of the violation that caused the temporary
30.18 suspension and may lift the temporary suspension if the licensee corrects the violation.

30.19 (c) The commissioner may extend the period of suspension if the violation is not
30.20 corrected, the commissioner notifies the business that it intends to revoke or not renew a
30.21 license, and a contested case hearing has not taken place.

30.22 Subd. 4. **Notice of violation; administrative orders; request for reconsideration;**
30.23 **demand for hearing.** (a) The commissioner may issue an administrative order to any
30.24 licensee who has committed a violation. The order may require the licensee to correct the
30.25 violation or to cease and desist from committing the violation and may impose civil penalties.
30.26 The order must state the deficiencies that constitute a violation, the time by which the
30.27 violation must be corrected, and the amount of any civil penalty.

30.28 (b) If the licensee believes the information in the administrative order is in error, the
30.29 licensee may ask the commissioner to reconsider any parts of the order that are alleged to
30.30 be in error. The request must be in writing, delivered to the commissioner by certified mail
30.31 within seven days after receipt of the order, and provide documentation to support the
30.32 allegation of error. The commissioner must respond to a request for reconsideration within
30.33 15 days after receiving the request. A request for reconsideration does not stay the order

31.1 unless the commissioner issues a supplemental order granting additional time. The
31.2 commissioner's disposition of a request for reconsideration is final.

31.3 (c) An administrative order that imposes a civil penalty of more than \$2,000 shall be
31.4 treated as a contested case under chapter 14.

31.5 (d) A licensee may request a hearing on the administrative order within 30 days of the
31.6 service of the order. The request must be in writing and delivered to the commissioner by
31.7 certified mail. If the licensee does not request a hearing within 30 days, the order becomes
31.8 final.

31.9 (e) If the licensee requests a hearing, the hearing must be held not later than 30 days
31.10 after the commissioner receives the request unless the licensee and the commissioner agree
31.11 on a later date. After the hearing, the commissioner may enter an order making such
31.12 disposition as the facts require. If the licensee fails to appear at the hearing after having
31.13 been notified of it, the licensee is considered in default and the proceeding may be determined
31.14 against the licensee on consideration of the administrative order, the allegations of which
31.15 may be considered to be true. An action of the commissioner under this paragraph is subject
31.16 to judicial review pursuant to chapter 14.

31.17 (f) Civil penalties collected by the commissioner shall be deposited in the general fund.
31.18 Civil penalties may be recovered in a civil action in the name of the state brought in the
31.19 district court.

31.20 Subd. 5. **Revocation, nonrenewal, civil penalties; contested case.** If the commissioner
31.21 intends to revoke or not renew a license, or impose a civil penalty in excess of \$2,000, the
31.22 commissioner shall provide the licensee with a statement of the complaints made against
31.23 the licensee and shall initiate a contested case proceeding. The contested case shall be held
31.24 pursuant to chapter 14.

31.25 Subd. 6. **Penalties.** In addition to penalties listed in this section, a person or licensee
31.26 who violates the provisions of sections 299L.10 to 299L.80 is subject to any applicable
31.27 criminal penalty.

31.28 Sec. 22. **[299L.65] REPORTING.**

31.29 Subdivision 1. **Financial report.** By June 1 of each year, the commissioner must submit
31.30 a report to the chairs and ranking minority members of the legislative committees with
31.31 jurisdiction over public safety, the legislative committees with jurisdiction over taxes, the
31.32 committee in the house of representatives with jurisdiction over commerce, the committee
31.33 in the senate with jurisdiction over state government finance and policy, the committee in

32.1 the house of representatives with jurisdiction over ways and means, and the committee in
 32.2 the senate with jurisdiction over finance. The report must describe the activities of the
 32.3 commissioner with respect to wagering on sporting events and include summary financial
 32.4 information on sports betting and the regulated sports betting industry as a whole. The report
 32.5 must not include information or data on individuals or entities that is classified as private
 32.6 data under section 299L.70 or separately list the earnings, wagers, or tax revenue generated
 32.7 by or use identifying information for specific mobile sports betting operators.

32.8 Subd. 2. **License activity report.** By February 1 of each year beginning in 2026, the
 32.9 commissioner shall submit a report to the chairs and ranking minority members of the
 32.10 committees in the house of representatives and the senate with jurisdiction over public
 32.11 safety, the committee in the house of representatives with jurisdiction over commerce, and
 32.12 the committee in the senate with jurisdiction over state government finance and policy on
 32.13 the following:

32.14 (1) the status of applications for licenses issued by the commissioner, including the
 32.15 number of applications for each type of license, the number of licenses of each type issued,
 32.16 and the average time between receipt of a complete application and issuance of each type
 32.17 of license;

32.18 (2) an overview of the sports betting market, including but not limited to the actual and
 32.19 anticipated demand;

32.20 (3) the amount of revenue generated to the state by sports betting and the expenses
 32.21 incurred by the commissioner in enforcing restrictions on lawful sports betting; and

32.22 (4) the commissioner's enforcement actions taken against persons licensed under sections
 32.23 299L.10 to 299L.80 for licensing violations, including violations of the rules adopted under
 32.24 section 299L.15.

32.25 **Sec. 23. [299L.70] DATA PROTECTIONS.**

32.26 Subdivision 1. **Classification.** Data in which an individual who has wagered on sporting
 32.27 events is identified by name, account number, Social Security number, or any other uniquely
 32.28 identifying indicia, is private data on individuals, as defined in section 13.02, subdivision
 32.29 12. Data on individual earnings of mobile sports betting operators, mobile sports betting
 32.30 operator application and licensing information, and all Tribal revenue records unassociated
 32.31 with mobile sports betting operators is nonpublic data, as defined in section 13.02, subdivision
 32.32 9.

33.1 Subd. 2. **Sale of private data on individuals.** The commissioner shall revoke any license
 33.2 issued under sections 299L.10 to 299L.80 of a person who sells data on individuals that
 33.3 would be classified as private under subdivision 1 collected through the practice of sports
 33.4 betting.

33.5 Sec. 24. **[299L.73] LOCAL RESTRICTIONS; PROHIBITION ON LOCAL TAXES**
 33.6 **OR FEES.**

33.7 No political subdivision may require a local license to offer sports betting or impose a
 33.8 tax or fee on the sports betting conducted pursuant to this chapter.

33.9 Sec. 25. **[299L.75] STUDY ON THE PREVALENCE OF GAMBLING.**

33.10 Subdivision 1. **Baseline study.** The commissioner must commission a study on gambling
 33.11 activity that occurred in Minnesota prior to the implementation of sports betting in Minnesota.
 33.12 The study must determine the prevalence of gambling in the state and the incidence of
 33.13 problem gambling, identifying the number of people who participate in various forms of
 33.14 gambling.

33.15 Subd. 2. **Continued study.** Three years after the baseline study, and every three years
 33.16 thereafter, the commissioner must commission an update for the study of the prevalence of
 33.17 gambling and the incidence and level of problem gambling.

33.18 Sec. 26. **[299L.751] STUDY ON THE IMPACT OF SPORTS BETTING ON**
 33.19 **PROBLEM GAMBLING, GAMBLING DISORDERS, YOUTH GAMBLING, AND**
 33.20 **SUICIDE.**

33.21 The commissioner must commission a study on the impact of sports betting on the
 33.22 prevalence of gambling disorders, suicide related to gambling disorders, and risks to youth
 33.23 of developing gambling disorders, based on any research available on how sports betting
 33.24 has impacted these problems in jurisdictions where sports betting is occurring.

33.25 Sec. 27. **[299L.753] REVIEW OF OTHER STATES' RESTRICTIONS.**

33.26 The commissioner must review the laws of other states in which wagering on sports is
 33.27 regulated to identify restrictions and safeguards on sports wagering that would be advisable
 33.28 to ensure the integrity of sports betting and to provide effective safety measures to protect
 33.29 people with a gambling disorder or who are at risk of developing a gambling disorder. The
 33.30 commissioner must adopt rules to implement the restrictions and safeguards the commissioner
 33.31 identifies from other states as advisable under this section. By January 15 of each year, the

34.1 commissioner shall report to the chairs and ranking minority members of the committees
 34.2 in the house of representatives and the senate with jurisdiction over sports wagering on
 34.3 advisable restrictions and safeguards, including draft legislation to implement the additional
 34.4 restrictions or safeguards.

34.5 Sec. 28. **INDIAN TRIBES; COMPACTS TO BE NEGOTIATED.**

34.6 The governor or the governor's designated representatives shall negotiate in good faith
 34.7 new Tribal-state compacts regulating the conduct of class III sports betting on the Indian
 34.8 lands of an Indian Tribe requesting negotiations, under Minnesota Statutes, section 3.9221.
 34.9 Compacts in effect on January 1, 2024, shall not be modified to accommodate sports betting.

34.10 Sec. 29. **TIMELINE.**

34.11 (a) All initial licenses issued by the commissioner under this article must be effective
 34.12 on the same day for applicants who have met all license application requirements by a date
 34.13 set by the commissioner. This requirement does not apply to provisional licenses issued by
 34.14 the commissioner.

34.15 (b) The commissioner must provide notice of the anticipated effective date for licenses
 34.16 at least ten days before the anticipated date for the effective date of licenses, including
 34.17 provisional licenses. The notice must be provided to all licensees, the commissioner of
 34.18 revenue, and the chairs and ranking minority members of the committees in the senate and
 34.19 the house of representatives with jurisdiction over public safety and state government.

34.20 Sec. 30. **EFFECTIVE DATE.**

34.21 Except as otherwise provided, this article is effective the day following final enactment.

34.22 **ARTICLE 3**

34.23 **TAXATION OF SPORTS BETTING**

34.24 Section 1. Minnesota Statutes 2024, section 270B.07, is amended by adding a subdivision
 34.25 to read:

34.26 Subd. 6. **Disclosure to Department of Public Safety.** The commissioner may disclose
 34.27 return information to the commissioner of public safety for the purpose of verifying licensure
 34.28 requirements under section 299L.25.

34.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.1 Sec. 2. **[297J.01] DEFINITIONS.**

35.2 Unless otherwise defined in this chapter, or unless the context clearly indicates otherwise,
35.3 the following terms have the meanings given:

35.4 (1) "cash equivalent" means the cash value of any free bets, promotional credits, and
35.5 any other noncash form of consideration, payment, or compensation;

35.6 (2) "casino" has the meaning given in section 299L.10, subdivision 5;

35.7 (3) "commissioner" means the commissioner of revenue;

35.8 (4) "mobile sports betting operator" has the meaning given in section 299L.10, subdivision
35.9 15;

35.10 (5) "sporting event" has the meaning given in section 299L.10, subdivision 20;

35.11 (6) "sports betting" has the meaning given in section 299L.10, subdivision 21;

35.12 (7) "sports betting net revenue" means the total of all cash and cash equivalents received
35.13 in a month by a mobile sports betting operator from wagers on sporting events, less the
35.14 following:

35.15 (i) cash paid out as winnings in the month; and

35.16 (ii) the fair market value of noncash prizes paid out as winnings in the month; and

35.17 (8) "wager" has the meaning given in section 299L.10, subdivision 24.

35.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.19 Sec. 3. **[297J.02] TAX ON SPORTS BETTING NET REVENUE.**

35.20 Subdivision 1. **Tax imposed.** (a) Except as provided in paragraph (b), a tax is imposed
35.21 on sports betting net revenue received equal to 20 percent on wagers placed online through
35.22 a website or mobile application, as allowed under section 299L.40.

35.23 (b) Any wager placed on Indian lands is not subject to state taxation. For purposes of
35.24 this chapter, a wager is placed at the physical location of the individual placing the wager.

35.25 Subd. 2. **Sports betting net revenue tax in lieu of other taxes.** Income derived by a
35.26 mobile sports betting operator from the conduct of wagering on a sporting event is not
35.27 subject to the tax imposed in chapter 290. Wagers accepted by a mobile sports betting
35.28 operator are not subject to the tax imposed in section 297A.62 or 297E.03.

35.29 Subd. 3. **Returns; due dates.** A mobile sports betting operator must file a return by the
35.30 20th day of each month reporting the tax due under this section for the preceding month.

36.1 The return must include the amount of all wagers received, payouts made, all sports betting
36.2 taxes owed, and other information required by the commissioner. The tax under this chapter
36.3 is due to be paid to the commissioner on the day the return is due.

36.4 Subd. 4. **Deposit of revenue; account established.** (a) The commissioner must deposit
36.5 the revenues, including penalties and interest, derived from the tax imposed by this section
36.6 into the sports betting revenue account. After deducting any amounts necessary to pay the
36.7 refunds, the money shall be distributed as follows:

36.8 (1) 50 percent is annually appropriated to the commissioner of revenue for the purposes
36.9 of making payments under section 297E.02, subdivision 12;

36.10 (2) 25 percent is transferred to the sports marketing and awareness account under section
36.11 116U.60, subdivision 1, paragraph (a), for the purposes specified in section 116U.60,
36.12 subdivision 2;

36.13 (3) 20 percent is appropriated to the Minnesota Racing Commission for grants to licensed
36.14 racetracks. Any amounts appropriated under this paragraph must not be used for casino or
36.15 card club operations;

36.16 (4) 2.5 percent is appropriated to the commissioner of human services for the compulsive
36.17 gambling treatment program established under section 245.98; and

36.18 (5) 2.5 percent is appropriated to the commissioner of education for grants to
36.19 municipalities, businesses, or nonprofit organizations that organize youth sports programs.

36.20 (b) The sports betting revenue account is established in the special revenue fund.

36.21 Subd. 5. **Distribution of revenue.** All amounts collected in the previous fiscal year by
36.22 the commissioner in the sports betting revenue account must be distributed annually by
36.23 October 1 as provided in subdivision 4. Any money remaining in the sports betting revenue
36.24 account at the end of each fiscal year does not cancel. Interest and income earned on money
36.25 in the account, after deducting any applicable charges, shall be credited to the account.

36.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

36.27 Sec. 4. **[297J.03] MOBILE SPORTS BETTING OPERATOR REPORTS AND**
36.28 **RECORDS.**

36.29 Subdivision 1. **Business records.** A mobile sports betting operator must maintain records
36.30 supporting the sports betting activity and taxes owed. Records required to be kept in this
36.31 section must be preserved by the mobile sports betting operator for at least 3-1/2 years after

37.1 the return is due or filed, whichever is later, and may be inspected by the commissioner at
 37.2 any reasonable time without notice or a search warrant.

37.3 Subd. 2. **Audits.** The commissioner may require a financial audit of a mobile sports
 37.4 betting operator's sports betting activities if the mobile sports betting operator has failed to
 37.5 comply with this chapter, including failure to timely file returns or pay tax, or take corrective
 37.6 actions required by the commissioner. Audits must be performed by an independent
 37.7 accountant licensed according to chapter 326A. The commissioner must prescribe standards
 37.8 for an audit required under this subdivision. A complete, true, and correct copy of an audit
 37.9 must be filed as prescribed by the commissioner. Nothing in this subdivision limits the
 37.10 commissioner's ability to conduct its own audit pursuant to its authority under chapter 270C.

37.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

37.12 Sec. 5. **[297J.04] OTHER PROVISIONS APPLY.**

37.13 Except for those provisions specific to distributors, gambling products, or gambling
 37.14 equipment, sections 297E.02, subdivisions 9 and 10, and 297E.10 to 297E.14 apply to this
 37.15 chapter.

37.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

37.17 **ARTICLE 4**

37.18 **CRIMES RELATED TO SPORTS BETTING**

37.19 Section 1. Minnesota Statutes 2024, section 260B.007, subdivision 16, is amended to read:

37.20 Subd. 16. **Juvenile petty offender; juvenile petty offense.** (a) "Juvenile petty offense"
 37.21 includes a juvenile alcohol offense, a juvenile controlled substance offense, a juvenile
 37.22 violation of section 299L.80, subdivision 3, paragraph (a), a violation of section 609.685,
 37.23 or a violation of a local ordinance, which by its terms prohibits conduct by a child under
 37.24 the age of 18 years which would be lawful conduct if committed by an adult.

37.25 (b) Except as otherwise provided in paragraph (c), "juvenile petty offense" also includes
 37.26 an offense that would be a misdemeanor if committed by an adult.

37.27 (c) "Juvenile petty offense" does not include any of the following:

37.28 (1) a misdemeanor-level violation of section 518B.01, 588.20, 609.224, 609.2242,
 37.29 609.324, subdivision 2 or 3, 609.5632, 609.576, 609.66, 609.746, 609.748, 609.79, or
 37.30 617.23;

38.1 (2) a major traffic offense or an adult court traffic offense, as described in section
38.2 260B.225;

38.3 (3) a misdemeanor-level offense committed by a child whom the juvenile court previously
38.4 has found to have committed a misdemeanor, gross misdemeanor, or felony offense; or

38.5 (4) a misdemeanor-level offense committed by a child whom the juvenile court has
38.6 found to have committed a misdemeanor-level juvenile petty offense on two or more prior
38.7 occasions, unless the county attorney designates the child on the petition as a juvenile petty
38.8 offender notwithstanding this prior record. As used in this clause, "misdemeanor-level
38.9 juvenile petty offense" includes a misdemeanor-level offense that would have been a juvenile
38.10 petty offense if it had been committed on or after July 1, 1995.

38.11 (d) A child who commits a juvenile petty offense is a "juvenile petty offender." The
38.12 term juvenile petty offender does not include a child alleged to have violated any law relating
38.13 to being hired, offering to be hired, or agreeing to be hired by another individual to engage
38.14 in sexual penetration or sexual conduct which, if committed by an adult, would be a
38.15 misdemeanor.

38.16 (e) Effective August 1, 2026, and applied to acts committed on or after that date,
38.17 notwithstanding any contrary provision in paragraphs (a) to (d), a juvenile petty offender
38.18 does not include a child who is alleged to have committed a juvenile petty offense before
38.19 reaching the age of 13 years.

38.20 **Sec. 2. [299L.80] CRIMES RELATING TO WAGERING ON SPORTING EVENTS.**

38.21 **Subdivision 1. Definitions. As used in this section:**

38.22 (1) "accepts a wager" includes receiving, recording, or forwarding a wager or an offer
38.23 to wager on a sporting event, and attempts to do so;

38.24 (2) "nonpublic information" means information regarding a participant's ability or
38.25 likelihood to perform in a sporting event that:

38.26 (i) is not available to the general public;

38.27 (ii) is derived from a personal or professional relationship with the participant; and

38.28 (iii) if the information was disseminated, would likely affect the odds of the participant
38.29 or the participant's team in achieving a particular outcome in the event; and

38.30 (3) "places a wager" includes an offer or attempt to place a wager on a sporting event.

39.1 Subd. 2. Sale or transfer of private data. (a) Whoever sells or transfers private data
39.2 on individuals collected through the practice of wagering on sporting events is guilty of a
39.3 misdemeanor.

39.4 (b) Paragraph (a) does not apply to transfers of data between a person licensed under
39.5 sections 299L.10 to 299L.80 or an employee of a licensee and the following entities when
39.6 that transfer is necessary to perform duties prescribed by law relating to wagering on sporting
39.7 events:

39.8 (1) the transfer of data to the commissioner, the director, or the commissioner of revenue;

39.9 (2) the transfer of data to a sports governing body pursuant to section 299L.53,
39.10 subdivision 3, paragraph (a); and

39.11 (3) the transfer of data to the University of Minnesota pursuant to section 299L.53,
39.12 subdivision 3, paragraph (c).

39.13 Subd. 3. Wagering by a person under age 21. (a) A person who is under 21 years of
39.14 age and does either of the following is guilty of a misdemeanor:

39.15 (1) places a wager on a sporting event; or

39.16 (2) misrepresents the person's age as being 21 or older for the purposes of placing a
39.17 wager on a sporting event.

39.18 (b) A person licensed under sections 299L.10 to 299L.80 or an employee of a licensee
39.19 who accepts a wager on a sporting event placed by someone under the age of 21 years is
39.20 guilty of a gross misdemeanor.

39.21 (c) Paragraph (a), clause (1) does not prohibit private social bets on sporting events that
39.22 are not part of or incidental to organized, commercialized, or systematic gambling.

39.23 Subd. 4. Unauthorized wagers. (a) The following persons who place a wager with an
39.24 entity licensed under sections 299L.10 to 299L.80 are guilty of a crime and may be sentenced
39.25 as provided in paragraphs (b) to (e):

39.26 (1) a person who is a participant in a sporting event and who places a wager on that
39.27 event or who induces another to place a wager on the event on behalf of the person;

39.28 (2) a person licensed under sections 299L.10 to 299L.80, or an employee of a licensee
39.29 whose exclusive or primary responsibilities involve mobile sports betting, who places a
39.30 wager on a sporting event on an online website or mobile application with which the person
39.31 is affiliated;

40.1 (3) an employee of the Division of Alcohol and Gambling Enforcement as defined under
40.2 chapter 299L; or

40.3 (4) a person who possesses nonpublic information on a sporting event and who places
40.4 a wager on that event.

40.5 (b) A person who violates paragraph (a) is guilty of a misdemeanor if the amount of the
40.6 wager is no more than \$500.

40.7 (c) A person who violates paragraph (a) is guilty of a gross misdemeanor if:

40.8 (1) the person has previously been convicted of a violation of this section or section
40.9 609.76; or

40.10 (2) the amount of the wager is more than \$500 but not more than \$1,000.

40.11 (d) A person who violates paragraph (a) is guilty of a felony and may be sentenced to
40.12 imprisonment for not more than two years or to payment of a fine of not more than \$4,000,
40.13 or both, if the amount of the wager is more than \$1,000 but not more than \$5,000.

40.14 (e) A person who violates paragraph (a) is guilty of a felony and may be sentenced to
40.15 imprisonment for not more than five years or to payment of a fine of not more than \$10,000,
40.16 or both, if:

40.17 (1) the amount of the wager is more than \$5,000; or

40.18 (2) the person places more than five wagers on any one or more sporting events within
40.19 any 30-day period and the total amount wagered is more than \$2,500.

40.20 **Subd. 5. Unauthorized acceptance of wagers.** (a) A person licensed under sections
40.21 299L.10 to 299L.80, or an employee of a licensee whose exclusive or primary responsibilities
40.22 involve mobile sports betting, who accepts a wager on a sporting event knowing that the
40.23 wager was made in violation of subdivision 4, paragraph (a) is guilty of a crime and may
40.24 be sentenced as provided in paragraphs (b) to (e).

40.25 (b) A person who violates paragraph (a) is guilty of a misdemeanor if the amount of the
40.26 wager is no more than \$500.

40.27 (c) A person who violates paragraph (a) is guilty of a gross misdemeanor if:

40.28 (1) the person has previously been convicted of a violation of this section or section
40.29 609.76; or

40.30 (2) the amount of the wager is more than \$500 but not more than \$1,000.

41.1 (d) A person who violates paragraph (a) is guilty of a felony and may be sentenced to
 41.2 imprisonment for not more than two years or to payment of a fine of not more than \$4,000,
 41.3 or both, if the amount of the wager is more than \$1,000 but not more than \$5,000.

41.4 (e) A person who violates paragraph (a) is guilty of a felony and may be sentenced to
 41.5 imprisonment for not more than five years or to payment of a fine of not more than \$10,000,
 41.6 or both, if:

41.7 (1) the amount of the wager is more than \$5,000; or

41.8 (2) the person accepts one or more wagers knowing that:

41.9 (i) the wager is prohibited under subdivision 4, paragraph (a);

41.10 (ii) acceptance of the wager will result in the person making a wager having placed more
 41.11 than five wagers on any one or more sporting events within any 30-day period; and

41.12 (iii) the total amount wagered is more than \$2,500.

41.13 Subd. 6. **Aggregation; venue.** In any prosecution under subdivision 4 or 5, the amount
 41.14 of money wagered within any six-month period may be aggregated and the accused charged
 41.15 accordingly in applying the provisions of those subdivisions. In addition, when two or more
 41.16 offenses are committed by the same person in two or more counties, the accused may be
 41.17 prosecuted in any county in which one of the offenses was committed for all of the offenses
 41.18 aggregated under this subdivision.

41.19 Subd. 7. **Proof of age; defense; seizure of false identification.** (a) Proof of age for
 41.20 placing a wager under sections 299L.10 to 299L.80 on a sporting event may be established
 41.21 only by one of the following:

41.22 (1) a valid driver's license or identification card issued by Minnesota, another state, a
 41.23 Tribal government, or a province of Canada, that includes the photograph and date of birth
 41.24 of the person;

41.25 (2) a valid military identification card issued by the United States Department of Defense;

41.26 (3) a valid United States passport;

41.27 (4) a valid instructional permit issued under section 171.05 that includes a photograph
 41.28 and the date of birth of the person;

41.29 (5) a Tribal identification;

41.30 (6) in the case of a foreign national, a valid passport; or

42.1 (7) use of an identity verification process approved by the commissioner and implemented
 42.2 by the mobile sports betting operator or mobile sports betting platform provider.

42.3 (b) In a prosecution for accepting a wager on a sporting event from a person under the
 42.4 age of 21, it is an affirmative defense for the defendant to prove by a preponderance of the
 42.5 evidence that the defendant reasonably and in good faith relied upon representations of
 42.6 proof of age authorized in paragraph (a).

42.7 (c) A mobile sports betting operator or employee of a mobile sports betting operator, or
 42.8 an official or employee authorized to accept wagers on sporting events under a Tribal-state
 42.9 compact regulating the conduct of class III sports betting on the Indian lands of an Indian
 42.10 Tribe, may seize a form of identification listed under paragraph (a) if the person has
 42.11 reasonable grounds to believe that the form of identification has been altered or falsified or
 42.12 is being used to violate any law. A person who seizes a form of identification under this
 42.13 paragraph must deliver it to a law enforcement agency, as defined in section 626.84,
 42.14 subdivision 1, paragraph (f), within 24 hours of seizure.

42.15 Subd. 8. **Advertising and promotion to person under self-imposed restrictions.** A
 42.16 person licensed under sections 299L.10 to 299L.80, or a person employed by a licensee
 42.17 whose exclusive or primary responsibilities involve mobile sports betting, is guilty of a
 42.18 gross misdemeanor if the person markets sports betting to an individual through a text, a
 42.19 message within a mobile sports betting application, or other direct message when that
 42.20 individual has implemented a self-imposed prohibition on participating in sports betting in
 42.21 accordance with section 299L.45.

42.22 Sec. 3. Minnesota Statutes 2024, section 609.75, subdivision 3, is amended to read:

42.23 Subd. 3. **What are not bets.** The following are not bets:

42.24 (1) a contract to insure, indemnify, guarantee or otherwise compensate another for a
 42.25 harm or loss sustained, even though the loss depends upon chance;

42.26 (2) a contract for the purchase or sale at a future date of securities or other commodities;

42.27 (3) offers of purses, prizes or premiums to the actual contestants in any bona fide contest
 42.28 for the determination of skill, speed, strength, endurance, or quality or to the bona fide
 42.29 owners of animals or other property entered in such a contest;

42.30 (4) the game of bingo when conducted in compliance with sections 349.11 to 349.23;

42.31 (5) a private social bet not part of or incidental to organized, commercialized, or
 42.32 systematic gambling;

43.1 (6) the operation of equipment or the conduct of a raffle under sections 349.11 to 349.22,
43.2 by an organization licensed by the Gambling Control Board or an organization exempt from
43.3 licensing under section 349.166;

43.4 (7) pari-mutuel betting on horse racing when the betting is conducted under chapter 240;
43.5 ~~and~~

43.6 (8) the purchase and sale of State Lottery tickets under chapter 349A; and

43.7 (9) sports betting when the betting is conducted pursuant to sections 299L.10 to 299L.80.

43.8 Sec. 4. Minnesota Statutes 2024, section 609.75, subdivision 4, is amended to read:

43.9 Subd. 4. **Gambling device.** A gambling device is a contrivance the purpose of which is
43.10 that for a consideration a player is afforded an opportunity to obtain something of value,
43.11 other than free plays, automatically from the machine or otherwise, the award of which is
43.12 determined principally by chance, whether or not the contrivance is actually played.
43.13 "Gambling device" also includes a video game of chance, as defined in subdivision 8.
43.14 Gambling device does not include a website or mobile application, or device used for
43.15 accessing the website or mobile application, authorized to be used in conducting mobile
43.16 sports betting pursuant to sections 299L.10 to 299L.80.

43.17 Sec. 5. Minnesota Statutes 2024, section 609.75, subdivision 7, is amended to read:

43.18 Subd. 7. **Sports bookmaking.** Sports bookmaking is the activity of intentionally
43.19 receiving, recording or forwarding within any 30-day period more than five bets, or offers
43.20 to bet, that total more than \$2,500 on any one or more sporting events. Sports bookmaking
43.21 does not include sports betting when the betting is conducted pursuant to sections 299L.10
43.22 to 299L.80.

43.23 Sec. 6. Minnesota Statutes 2024, section 609.75, is amended by adding a subdivision to
43.24 read:

43.25 Subd. 7a. **Sporting event.** "Sporting event" has the meaning given in section 299L.10,
43.26 subdivision 20, and includes any event, such as a game, match, contest, or activity, or series
43.27 of games, matches, contests, activities, or tournaments, involving the athletic skill or
43.28 performance in a video game of one or more players or participants, regardless of whether
43.29 the event is approved by the commissioner to be an event eligible for wagering under sections
43.30 299L.10 to 299L.80.

44.1 Sec. 7. Minnesota Statutes 2024, section 609.755, is amended to read:

44.2 **609.755 GAMBLING; MISDEMEANOR.**

44.3 Whoever does any of the following is guilty of a misdemeanor:

44.4 (1) makes a bet, other than a bet on a sporting event;

44.5 (2) sells or transfers a chance to participate in a lottery;

44.6 (3) disseminates information about a lottery, except a lottery conducted by an adjoining
44.7 state, with intent to encourage participation therein;

44.8 (4) permits a structure or location owned or occupied by the actor or under the actor's
44.9 control to be used as a gambling place; or

44.10 (5) except where authorized by statute, possesses a gambling device.

44.11 Clause (5) does not prohibit possession of a gambling device in a person's dwelling for
44.12 amusement purposes in a manner that does not afford players an opportunity to obtain
44.13 anything of value.

44.14 Sec. 8. Minnesota Statutes 2024, section 609.76, subdivision 2, is amended to read:

44.15 Subd. 2. **Sports bookmaking.** (a) Whoever makes a bet on a sporting event with a person
44.16 who is not licensed to engage in sports betting under sections 299L.10 to 299L.80 is guilty
44.17 of a misdemeanor if the amount of the wager is no more than \$500.

44.18 (b) Whoever makes a bet on a sporting event with a person who is not licensed to engage
44.19 in sports betting under sections 299L.10 to 299L.80 is guilty of a gross misdemeanor if:

44.20 (1) the person has previously been convicted of a violation of this section or section
44.21 299L.80; or

44.22 (2) the amount of the wager is more than \$500 but not more than \$1,000.

44.23 (c) Whoever makes a bet on a sporting event with a person who is not licensed to engage
44.24 in sports betting under sections 299L.10 to 299L.80 is guilty of a felony if the amount of
44.25 the wager is more than \$1,000.

44.26 (d) Whoever engages in sports bookmaking is guilty of a felony.

44.27 (e) In any prosecution under paragraph (b) or (c), the amount of money wagered within
44.28 any six-month period may be aggregated and the accused charged accordingly in applying
44.29 the provisions of those paragraphs. In addition, when two or more offenses are committed
44.30 by the same person in two or more counties, the accused may be prosecuted in any county

45.1 in which one of the offenses was committed for all of the offenses aggregated under this
45.2 subdivision.

45.3 **Sec. 9. [609.764] SPORTING EVENTS; FRAUD; BRIBERY.**

45.4 (a) As used in this section:

45.5 (1) "participant in a sporting event" has the meaning given in section 299L.10, subdivision
45.6 18; and

45.7 (2) "sporting event" has the meaning given in section 299L.10, subdivision 20.

45.8 (b) A person is guilty of a felony and may be sentenced to imprisonment for not more
45.9 than five years or to payment of a fine of not more than \$10,000, or both, if the person:

45.10 (1) offers, gives, or promises to give, directly or indirectly, to a participant in a sporting
45.11 event any benefit, reward, or consideration to which the participant is not legally entitled
45.12 as compensation or a prize, with intent to influence the performance of the participant, or
45.13 the outcome of the event or a component of the event; or

45.14 (2) as a participant in a sporting event, requests, receives, or agrees to receive, directly
45.15 or indirectly, a benefit, reward, or consideration to which the participant is not legally entitled
45.16 to intentionally lose, cause to lose, or attempt to lose or cause to lose the event, or to
45.17 intentionally perform below abilities to adversely affect the outcome of the event or a
45.18 component of the event.

45.19 **Sec. 10. EFFECTIVE DATE.**

45.20 Sections 1 to 10 are effective the day that sports betting and fantasy contests become
45.21 lawful under articles 1 and 3 and apply to crimes committed on or after that date.

45.22 **ARTICLE 5**

45.23 **SPORTS AND ACTIVITIES GRANTS**

45.24 **Section 1. [116U.60] GRANTS FOR PROMOTING TOURISM, SPORTS, AND**
45.25 **EVENTS.**

45.26 Subdivision 1. **Account established; appropriation.** (a) The sports marketing and
45.27 awareness account is established in the special revenue fund. The account shall consist of
45.28 the amount deposited pursuant to section 297J.02.

46.1 (b) The amount necessary to make grants under subdivision 2 is appropriated to Explore
46.2 Minnesota Tourism. Notwithstanding section 16B.98, subdivision 14, Explore Minnesota
46.3 Tourism may not retain any of this appropriation for administration of this grant.

46.4 (c) Any money remaining in the account at the end of each fiscal year does not cancel.
46.5 Interest and income earned on money in the account, after deducting any applicable charges,
46.6 shall be credited to the account.

46.7 Subd. 2. **Grants to promote tourism, sports, and events.** (a) Explore Minnesota
46.8 Tourism must make grants to Minnesota Sports and Events to:

46.9 (1) attract and host large-scale sporting events in Minnesota; and

46.10 (2) coordinate statewide initiatives that increase access to sports and events for greater
46.11 Minnesota residents. Grant funds must be used to conduct events in greater Minnesota on
46.12 an annual basis.

46.13 (b) For purposes of this subdivision, "greater Minnesota" means the area of Minnesota
46.14 located outside of the metropolitan area as defined in section 473.121, subdivision 2.

46.15 Subd. 3. **Annual report.** By January 15 each year, Explore Minnesota Tourism must
46.16 submit a report to the chairs and ranking minority members of the legislative committees
46.17 with jurisdiction over public safety, the legislative committees with jurisdiction over taxes,
46.18 the committee in the house of representatives with jurisdiction over commerce, the committee
46.19 in the senate with jurisdiction over state government finance and policy, the committee in
46.20 the house of representatives with jurisdiction over ways and means, and the committee in
46.21 the senate with jurisdiction over finance. The report must identify the grants issued under
46.22 this section since the previous report, including the individual or organization that received
46.23 the grant, the amount awarded, and the purpose of the grant. The report must also compile
46.24 and provide the annual reports received from grantees.

46.25 Sec. 2. **[240A.15] GRANTS FOR PROMOTING INTEGRITY AND**
46.26 **PARTICIPATION.**

46.27 Subdivision 1. **Account established; appropriation.** (a) The amateur sports integrity
46.28 and participation account is established in the special revenue fund. The account shall consist
46.29 of the amounts deposited pursuant to section 297J.02.

46.30 (b) The amount necessary to make grants under subdivisions 2 and 3 is appropriated to
46.31 the Minnesota Amateur Sports Commission. The Minnesota Amateur Sports Commission
46.32 may retain four percent of the total appropriation to administer the grants.

47.1 (c) The amount necessary to make grants under subdivision 4 is appropriated to the
47.2 Minnesota State High School League Foundation. The Minnesota State High School League
47.3 Foundation may retain four percent of the total appropriation to administer the grants.

47.4 **Subd. 2. Grants to promote the integrity of amateur sports.** (a) The Minnesota
47.5 Amateur Sports Commission shall use 20 percent of the amount deposited in the amateur
47.6 sports integrity and participation account in the previous fiscal year to award grants to
47.7 collegiate and amateur sports associations to promote the integrity of amateur sports. Of
47.8 this amount, 80 percent of money must be distributed to grant recipients at institutions whose
47.9 undergraduate enrollment total is fewer than 25,000 students.

47.10 (b) Grant recipients may use money to:

47.11 (1) provide comprehensive gambling and athlete protection education and programming
47.12 related to disordered gambling to athletes and others directly involved with amateur athletic
47.13 organizations;

47.14 (2) promote the independence, safety, and training of amateur sports leagues and officials;

47.15 (3) provide educational substance abuse prevention and intervention programs related
47.16 to the use of performance-enhancing drugs;

47.17 (4) provide problem gambling prevention education;

47.18 (5) provide training to coaches and athletes on safe relationships and how to establish
47.19 and maintain an environment free from bullying, harassment, and discrimination based on
47.20 race or sex; or

47.21 (6) provide training or resources to address the mental health needs of amateur athletes,
47.22 including programs to address depression, anxiety, and disordered eating.

47.23 (c) By September 1 of each year, individuals or organizations that received a grant in
47.24 the previous fiscal year shall provide a report in a form and manner established by the
47.25 Minnesota Amateur Sports Commission describing how grant money was used and providing
47.26 any additional information required by the Minnesota Amateur Sports Commission.

47.27 **Subd. 3. Grants to promote and facilitate participation in youth sports.** (a) The
47.28 Minnesota Amateur Sports Commission shall use 40 percent of the amount deposited in the
47.29 amateur sports integrity and participation account in the previous fiscal year to award grants
47.30 to organizations to promote and facilitate participation in youth sports in areas that have
47.31 experienced a disproportionately high rate of juvenile crime.

48.1 (b) Applicants may demonstrate that an area has experienced a disproportionately high
48.2 rate of juvenile crime through the use of public data or reports, a submission from the local
48.3 law enforcement agency, or any other reliable information showing that the area to be served
48.4 by the applicant has experienced more incidents of juvenile crime than the state average or
48.5 than surrounding communities.

48.6 (c) Grant recipients may use money to:

48.7 (1) establish, maintain, or expand youth sports;

48.8 (2) improve facilities for youth sports;

48.9 (3) reduce or eliminate participation costs for youth through the use of scholarships,
48.10 assistance with the purchase of equipment, reductions or elimination of program fees, and
48.11 accounting for other reasonable costs that serve as a barrier to participation;

48.12 (4) recruit and train adults to serve as coaches, officials, or in other supportive roles; or

48.13 (5) coordinate additional services for youth, including tutoring, mental health services,
48.14 substance abuse treatment, and family counseling.

48.15 (d) By September 1 of each year, individuals or organizations that received a grant in
48.16 the previous fiscal year shall provide a report in a form and manner established by the
48.17 Minnesota Amateur Sports Commission describing how grant money was used and providing
48.18 any additional information required by the Minnesota Amateur Sports Commission.

48.19 **Subd. 4. Grants to promote and facilitate participation in youth activities.** (a) The
48.20 Minnesota State High School League Foundation shall use 40 percent of the amount deposited
48.21 in the amateur sports integrity and participation account in the previous fiscal year to award
48.22 grants to schools or organizations to promote and facilitate participation in competitive,
48.23 nonathletic youth activities in areas that have experienced a disproportionately high rate of
48.24 juvenile crime.

48.25 (b) Applicants may demonstrate that an area has experienced a disproportionately high
48.26 rate of juvenile crime through the use of public data or reports, a submission from the local
48.27 law enforcement agency, or any other reliable information showing that the area to be served
48.28 by the applicant has experienced more incidents of juvenile crime than the state average or
48.29 than surrounding communities.

48.30 (c) Grant recipients may use money to:

48.31 (1) establish, maintain, or expand competitive, nonathletic youth activities;

49.1 (2) reduce or eliminate participation costs for youth through the use of scholarships,
 49.2 assistance with the purchase of equipment, reductions or elimination of program fees, and
 49.3 accounting for other reasonable costs that serve as a barrier to participation;

49.4 (3) recruit and train adults to serve as coaches, as officials, or in other supportive roles;
 49.5 or

49.6 (4) coordinate additional services for youth, including tutoring, mental health services,
 49.7 substance abuse treatment, and family counseling.

49.8 (d) By September 1 each year, schools or organizations that received a grant in the
 49.9 previous fiscal year shall provide a report in a form and manner established by the Minnesota
 49.10 State High School League describing how grant money was used and providing any additional
 49.11 information required by the Minnesota State High School League.

49.12 Subd. 5. **Annual report.** By January 15 of each year, the Minnesota Amateur Sports
 49.13 Commission and Minnesota State High School League must submit a report to the chairs
 49.14 and ranking minority members of the legislative committees with jurisdiction over public
 49.15 safety, the legislative committees with jurisdiction over taxes, the committee in the house
 49.16 of representatives with jurisdiction over commerce, the committee in the senate with
 49.17 jurisdiction over state government finance and policy, the committee in the house of
 49.18 representatives with jurisdiction over ways and means, and the committee in the senate with
 49.19 jurisdiction over finance. The report must identify the grants issued under this section since
 49.20 the previous report, including the individual or organization that received the grant, the
 49.21 amount awarded, and the purpose of the grant. The report must also compile and provide
 49.22 the annual reports received from grantees.

49.23 **Sec. 3. EFFECTIVE DATE.**

49.24 This article is effective the day following final enactment.

49.25 **ARTICLE 6**

49.26 **CHARITABLE GAMBLING**

49.27 Section 1. Minnesota Statutes 2024, section 297E.02, is amended by adding a subdivision
 49.28 to read:

49.29 Subd. 12. **Tax relief payments.** (a) By October 1 of each year, the commissioner shall
 49.30 remit payments, as required under section 297J.02, to each organization licensed to conduct
 49.31 lawful gambling under chapter 349 on a pro rata basis according to the organization's
 49.32 combined net receipts, as defined under this section, for the 12-month period ending June

50.1 30 of the prior calendar year, and the total combined net receipts from all organizations
50.2 licensed under chapter 349 for the 12-month period ending June 30 of the prior calendar
50.3 year.

50.4 (b) For purposes of determining the tax relief payment, the commissioner must use each
50.5 organization's combined net receipts on record with the commissioner as of June 30 the
50.6 year the payment is made. The first payment is due on October 1, 2025, and each October
50.7 1 thereafter. The amount available for distribution is the amount allocated for this purpose
50.8 in the sports betting revenue account as of June 30 the year of distribution.

50.9 (c) Any relief payment made under this section must not exceed 100 percent of an
50.10 organization's tax liability.

50.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

50.12 Sec. 2. Minnesota Statutes 2024, section 349.12, subdivision 25, is amended to read:

50.13 Subd. 25. **Lawful purpose.** (a) "Lawful purpose" means one or more of the following:

50.14 (1) any expenditure by or contribution to a 501(c)(3) or festival organization, as defined
50.15 in subdivision 15c, provided that the organization and expenditure or contribution are in
50.16 conformity with standards prescribed by the board under section 349.154, which standards
50.17 must apply to both types of organizations in the same manner and to the same extent;

50.18 (2) a contribution to or expenditure for goods and services for an individual or family
50.19 suffering from poverty, homelessness, or disability, which is used to relieve the effects of
50.20 that suffering;

50.21 (3) a contribution to a program recognized by the Minnesota Department of Human
50.22 Services for the education, prevention, or treatment of problem gambling;

50.23 (4) a contribution to or expenditure on a public or private nonprofit educational institution
50.24 registered with or accredited by this state or any other state;

50.25 (5) a contribution to an individual, public or private nonprofit educational institution
50.26 registered with or accredited by this state or any other state, or to a scholarship fund of a
50.27 nonprofit organization whose primary mission is to award scholarships, for defraying the
50.28 cost of education to individuals where the funds are awarded through an open and fair
50.29 selection process;

50.30 (6) activities by an organization or a government entity which recognize military service
50.31 to the United States, the state of Minnesota, or a community, subject to rules of the board,
50.32 provided that the rules must not include mileage reimbursements in the computation of the

51.1 per diem reimbursement limit and must impose no aggregate annual limit on the amount of
51.2 reasonable and necessary expenditures made to support:

51.3 (i) members of a military marching or color guard unit for activities conducted within
51.4 the state;

51.5 (ii) members of an organization solely for services performed by the members at funeral
51.6 services;

51.7 (iii) members of military marching, color guard, or honor guard units may be reimbursed
51.8 for participating in color guard, honor guard, or marching unit events within the state or
51.9 states contiguous to Minnesota at a per participant rate of up to \$50 per diem; or

51.10 (iv) active military personnel and their immediate family members in need of support
51.11 services;

51.12 (7) recreational, community, and athletic facilities and activities, intended primarily for
51.13 persons under age 21, provided that such facilities and activities do not discriminate on the
51.14 basis of gender and the organization complies with section 349.154, subdivision 3a;

51.15 (8) payment of local taxes authorized under this chapter, including local gambling taxes
51.16 authorized under section 349.213, subdivision 3, taxes imposed by the United States on
51.17 receipts from lawful gambling, the taxes imposed by section 297E.02, subdivisions 1 and
51.18 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;

51.19 (9) payment of real estate taxes and assessments on permitted gambling premises owned
51.20 by the licensed organization paying the taxes, or wholly leased by a licensed veterans
51.21 organization under a national charter recognized under section 501(c)(19) of the Internal
51.22 Revenue Code;

51.23 (10) a contribution to the United States, this state or any of its political subdivisions, or
51.24 any agency or instrumentality thereof other than a direct contribution to a law enforcement
51.25 or prosecutorial agency;

51.26 (11) a contribution to or expenditure by a nonprofit organization which is a church or
51.27 body of communicants gathered in common membership for mutual support and edification
51.28 in piety, worship, or religious observances;

51.29 (12) an expenditure for citizen monitoring of surface water quality by individuals or
51.30 nongovernmental organizations that is consistent with section 115.06, subdivision 4, and
51.31 Minnesota Pollution Control Agency guidance on monitoring procedures, quality assurance
51.32 protocols, and data management, provided that the resulting data is submitted to the

52.1 Minnesota Pollution Control Agency for review and inclusion in the state water quality
52.2 database;

52.3 (13) a contribution to or expenditure on projects or activities approved by the
52.4 commissioner of natural resources for:

52.5 (i) wildlife management projects that benefit the public at large;

52.6 (ii) grant-in-aid trail maintenance and grooming established under sections 84.83 and
52.7 84.927, and other trails open to public use, including purchase or lease of equipment for
52.8 this purpose; and

52.9 (iii) supplies and materials for safety training and educational programs coordinated by
52.10 the Department of Natural Resources, including the Enforcement Division;

52.11 (14) conducting nutritional programs, food shelves, and congregate dining programs
52.12 primarily for persons who are age 62 or older or disabled;

52.13 (15) a contribution to a community arts organization, or an expenditure to sponsor arts
52.14 programs in the community, including but not limited to visual, literary, performing, or
52.15 musical arts;

52.16 (16) an expenditure by a licensed fraternal organization or a licensed veterans organization
52.17 for payment of water, fuel for heating, electricity, and sewer costs for:

52.18 (i) up to 100 percent for a building wholly owned or wholly leased by and used as the
52.19 primary headquarters of the licensed veteran or fraternal organization; or

52.20 (ii) a proportional amount subject to approval by the director and based on the portion
52.21 of a building used as the primary headquarters of the licensed veteran or fraternal
52.22 organization;

52.23 (17) expenditure by a licensed veterans organization of up to \$5,000 in a calendar year
52.24 in net costs to the organization for meals and other membership events, limited to members
52.25 and spouses, held in recognition of military service. No more than \$5,000 can be expended
52.26 in total per calendar year under this clause by all licensed veterans organizations sharing
52.27 the same veterans post home;

52.28 (18) payment of fees authorized under this chapter imposed by the state of Minnesota
52.29 to conduct lawful gambling in Minnesota;

52.30 (19) a contribution or expenditure to honor an individual's humanitarian service as
52.31 demonstrated through philanthropy or volunteerism to the United States, this state, or local
52.32 community;

53.1 (20) a contribution by a licensed organization to another licensed organization with prior
53.2 board approval, with the contribution designated to be used for one or more of the following
53.3 lawful purposes under this section: clauses (1) to (7), (11) to (15), (19), and (25);

53.4 (21) an expenditure that is a contribution to a parent organization, if the parent
53.5 organization: (i) has not provided to the contributing organization within one year of the
53.6 contribution any money, grants, property, or other thing of value, and (ii) has received prior
53.7 board approval for the contribution that will be used for a program that meets one or more
53.8 of the lawful purposes under subdivision 7a;

53.9 (22) an expenditure for the repair, maintenance, or improvement of real property and
53.10 capital assets owned by an organization, or for the replacement of a capital asset that can
53.11 no longer be repaired, with a fiscal year limit of five percent of gross profits from the
53.12 previous fiscal year, with no carryforward of unused allowances. The fiscal year is July 1
53.13 through June 30. Total expenditures for the fiscal year may not exceed the limit unless the
53.14 board has specifically approved the expenditures that exceed the limit due to extenuating
53.15 circumstances beyond the organization's control. An expansion of a building or bar-related
53.16 expenditures are not allowed under this provision.

53.17 (i) The expenditure must be related to the portion of the real property or capital asset
53.18 that must be made available for use free of any charge to other nonprofit organizations,
53.19 community groups, or service groups, and is used for the organization's primary mission or
53.20 headquarters.

53.21 (ii) An expenditure may be made to bring an existing building that the organization owns
53.22 into compliance with the Americans with Disabilities Act.

53.23 (iii) An organization may apply the amount that is allowed under item (ii) to the erection
53.24 or acquisition of a replacement building that is in compliance with the Americans with
53.25 Disabilities Act if the board has specifically approved the amount. The cost of the erection
53.26 or acquisition of a replacement building may not be made from gambling proceeds, except
53.27 for the portion allowed under this item;

53.28 (23) an expenditure for the acquisition or improvement of a capital asset with a cost
53.29 greater than \$2,000, excluding real property, that will be used exclusively for lawful purposes
53.30 under this section if the board has specifically approved the amount;

53.31 (24) an expenditure for the acquisition, erection, improvement, or expansion of real
53.32 property, if the board has first specifically authorized the expenditure after finding that the
53.33 real property will be used exclusively for lawful purpose under this section;

54.1 (25) an expenditure, including a mortgage payment or other debt service payment, for
 54.2 the erection or acquisition of a comparable building to replace an organization-owned
 54.3 building that was destroyed or made uninhabitable by fire or catastrophe or to replace an
 54.4 organization-owned building that was taken or sold under an eminent domain proceeding.
 54.5 The expenditure may be only for that part of the replacement cost not reimbursed by
 54.6 insurance for the fire or catastrophe or compensation not received from a governmental unit
 54.7 under the eminent domain proceeding, if the board has first specifically authorized the
 54.8 expenditure; ~~or~~

54.9 (26) a contribution to a 501(c)(19) organization that does not have an organization license
 54.10 under section 349.16 and is not affiliated with the contributing organization, and whose
 54.11 owned or leased property is not a permitted premises under section 349.165. The 501(c)(19)
 54.12 organization may only use the contribution for lawful purposes under this subdivision or
 54.13 for the organization's primary mission. The 501(c)(19) organization may not use the
 54.14 contribution for expansion of a building or for bar-related expenditures. A contribution may
 54.15 not be made to a statewide organization representing a consortia of 501(c)(19) organizations;
 54.16 or

54.17 (27)(i) an expenditure made after June 30, 2024, and before August 1, 2029, for the
 54.18 repair, maintenance, or improvement of real property and capital assets owned by the
 54.19 following organizations, or for the replacement of a capital asset owned by the following
 54.20 organizations that can no longer be repaired:

54.21 (A) American Legion;

54.22 (B) Veterans of Foreign Wars of the United States (VFW);

54.23 (C) Jewish War Veterans of the United States of America;

54.24 (D) Military Order of the Purple Heart;

54.25 (E) AMVETS;

54.26 (F) Marine Corps League;

54.27 (G) Paralyzed Veterans of America; or

54.28 (H) Disabled American Veterans.

54.29 (ii) the expenditure is limited to 50 percent of gross profits from the previous fiscal year.
 54.30 The fiscal year is July 1 through June 30. Any unused allowances may carry forward pursuant
 54.31 to the requirements in item (iii);

55.1 (iii) for qualifying organizations whose gross receipts exceed \$400,000 per year, the
55.2 organization may carry forward unused allowances for up to two years. For qualifying
55.3 organizations whose gross receipts do not exceed \$400,000 per year, the organization may
55.4 carry forward unused allowances for up to three years. Any organization carrying forward
55.5 funds must identify the planned project for which the funds will be used prior to carrying
55.6 forward the unused allowances; and

55.7 (iv) total expenditures for the fiscal year may not exceed the limit imposed under item
55.8 (ii) unless the board has specifically approved the expenditures that exceed the limit due to
55.9 extenuating circumstances beyond the organization's control. An expansion of a building
55.10 or any capital improvements within the building regardless of use of the improvements are
55.11 allowed under this provision. This provision applies only to capital improvements to the
55.12 existing building square footage and does not apply to the new construction of a new or
55.13 replacement building.

55.14 (b) Expenditures authorized by the board under paragraph (a), clauses (24) and (25),
55.15 must be 51 percent completed within two years of the date of board approval; ~~otherwise or~~
55.16 the organization must reapply to the board for approval of the project. "Fifty-one percent
55.17 completed" means that the work completed must represent at least 51 percent of the value
55.18 of the project as documented by the contractor or vendor.

55.19 (c) Notwithstanding paragraph (a), "lawful purpose" does not include:

55.20 (1) any expenditure made or incurred for the purpose of influencing the nomination or
55.21 election of a candidate for public office or for the purpose of promoting or defeating a ballot
55.22 question;

55.23 (2) any activity intended to influence an election or a governmental decision-making
55.24 process;

55.25 (3) a contribution to a statutory or home rule charter city, county, or town by a licensed
55.26 organization with the knowledge that the governmental unit intends to use the contribution
55.27 for a pension or retirement fund; or

55.28 (4) a contribution to a 501(c)(3) organization or other entity with the intent or effect of
55.29 not complying with lawful purpose restrictions or requirements.

55.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

56.1 **ARTICLE 7**

56.2 **PARI-MUTUEL HORSE RACING**

56.3 Section 1. Minnesota Statutes 2024, section 240.01, subdivision 1b, is amended to read:

56.4 Subd. 1b. **Advance deposit wager.** "Advance deposit wager" means a wager placed
56.5 through an advance deposit wagering provider on a horse race that is conducted inside or
56.6 outside of the state.

56.7 Sec. 2. **[240.1563] RACING ECONOMIC DEVELOPMENT ACCOUNT.**

56.8 Subdivision 1. **Account established; use of funds.** (a) The racing economic development
56.9 account is established in the special revenue fund. The account consists of any amounts
56.10 deposited pursuant to section 297J.02. The amounts deposited into the account are
56.11 appropriated to the commissioner of agriculture to make distributions under this subdivision.
56.12 The amount available for distribution is the amount available as of June 30 of the distribution
56.13 year. The commissioner must provide money annually to the following entities, in proportion
56.14 established by agreement between the commissioner and the two licensed racetracks:

56.15 (1) a licensed racetrack licensed under chapter 240 that primarily conducts standardbred
56.16 horse racing; and

56.17 (2) a licensed racetrack licensed under chapter 240 that primarily conducts thoroughbred
56.18 and quarter horse racing.

56.19 (b) Funds distributed under paragraph (a) must not be used for:

56.20 (1) the funding of lobbying, litigation, or advertisements; or

56.21 (2) the expansion or operation of gaming, card club operations, or gaming that is unrelated
56.22 to horse racing as defined in section 240.01, subdivision 8.

56.23 (c) Any money remaining in the account at the end of each fiscal year does not cancel.
56.24 Interest and income earned on money in the account, after deducting any applicable charges,
56.25 are credited to the account.

56.26 Subd. 2. **Reports required.** (a) By January 15 of each year, each racetrack that receives
56.27 a distribution under this section must submit a report to the commissioner of agriculture
56.28 that includes the amount of funds that was spent in each category in subdivision 1, paragraphs
56.29 (a) and (b), and documentation sufficient to establish that the funds were spent on or
56.30 encumbered for eligible uses. The commissioner may request financial statements or other
56.31 information necessary to verify that funds were spent on eligible uses.

57.1 (b) By February 1 of every odd-numbered year, the commissioner of agriculture must
 57.2 submit a report to the chairs and ranking minority members of the legislative committees
 57.3 with jurisdiction over pari-mutuel horse racing and sports wagering authorized in chapter
 57.4 299L, detailing expenditures made by racetracks under subdivision 1, paragraph (a).

57.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

57.6 **ARTICLE 8**

57.7 **APPROPRIATIONS; MISCELLANEOUS**

57.8 Section 1. Minnesota Statutes 2024, section 245.98, subdivision 2, is amended to read:

57.9 Subd. 2. **Program.** The commissioner of human services shall establish a program for
 57.10 the treatment of compulsive gamblers and their families. The commissioner may contract
 57.11 with an entity with expertise regarding the treatment of compulsive gambling to operate the
 57.12 program. The program may include the establishment of a statewide toll-free number,
 57.13 resource library, public education programs; regional in-service training programs and
 57.14 conferences for health care professionals, educators, treatment providers, employee assistance
 57.15 programs, and criminal justice representatives; and the establishment of certification standards
 57.16 for programs and service providers. The program must include culturally competent outreach,
 57.17 education, and service models that are informed by the lived experiences of communities
 57.18 disproportionately affected by problem gambling. The commissioner may enter into
 57.19 agreements with other entities and may employ or contract with consultants to facilitate the
 57.20 provision of these services or the training of individuals to qualify them to provide these
 57.21 services. The program must include up to 60 hours of intervention services for a family
 57.22 member or concerned significant other who is a Minnesota resident and is negatively
 57.23 impacted by problem or compulsive gambling. The program may also include inpatient and
 57.24 outpatient treatment and rehabilitation services for residents in different settings, including
 57.25 a temporary or permanent residential setting for mental health or substance use disorder,
 57.26 and individuals in jails or correctional facilities. The program may also include research
 57.27 studies. The research studies must include baseline and prevalence studies for adolescents
 57.28 and adults to identify those at the highest risk. The program must be approved by the
 57.29 commissioner before it is established.

57.30 Sec. 2. [245.983] COMPULSIVE AND PROBLEM GAMBLING SUPPORT.

57.31 (a) The commissioner of human services must distribute the funds appropriated pursuant
 57.32 to section 297J.02 as follows:

58.1 (1) one-third is for the compulsive gambling treatment program established under section
58.2 245.98 which must also be available for up to 60 hours of intervention services for a family
58.3 member or concerned significant other who is a Minnesota resident and is negatively
58.4 impacted by problem or compulsive gambling;

58.5 (2) one-third for emergency services grants under section 256K.49; and

58.6 (3) one-third is for a grant to the state affiliate recognized by the National Council on
58.7 Problem Gambling to increase public awareness of problem gambling, provide education
58.8 and training for individuals and organizations providing effective treatment services to
58.9 problem gamblers and their families, and conduct research relating to problem gambling.

58.10 (b) Money appropriated by this subdivision must supplement and must not replace
58.11 existing state funding for programs and grants under paragraph (a). Money appropriated
58.12 from the sports betting revenue account under this subdivision is available until expended.

58.13 (c) Any funds unused at the end of each fiscal year does not cancel.

58.14 Sec. 3. Minnesota Statutes 2024, section 609.761, subdivision 3, is amended to read:

58.15 Subd. 3. **Social skill game.** Sections 609.755 and 609.76 do not prohibit tournaments
58.16 or contests that satisfy all of the following requirements:

58.17 (1) the tournament or contest consists of the card games of chance commonly known as
58.18 cribbage, skat, sheephead, bridge, euchre, hasenpfeffer, pinochle, gin, 500, smear, Texas
58.19 hold'em, or whist;

58.20 (2) the tournament or contest does not provide any direct financial benefit to the promoter
58.21 or organizer;

58.22 (3) the value of all prizes awarded for each tournament or contest does not exceed \$200;
58.23 and

58.24 (4) for a tournament or contest involving Texas hold'em:

58.25 (i) no person under 18 years of age may participate;

58.26 (ii) the payment of an entry fee or other consideration for participating is prohibited;

58.27 (iii) the value of all prizes awarded to an individual winner of a tournament or contest
58.28 at a single location may not exceed \$200 each day; and

58.29 (iv) the organizer or promoter must ensure that reasonable accommodations are made
58.30 for players with disabilities. Accommodations to the table and the cards shall include the

59.1 announcement of the cards visible to the entire table and the use of Braille cards for players
59.2 who are blind.

59.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

59.4 Sec. 4. **DEPARTMENT OF PUBLIC SAFETY; APPROPRIATION.**

59.5 \$8,316,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
59.6 of public safety to perform the duties required to establish and regulate mobile sports betting
59.7 under Minnesota Statutes, sections 299L.10 to 299L.80. The base for this appropriation is
59.8 \$5,486,000 in fiscal year 2026 and \$5,466,000 in fiscal year 2027 and each fiscal year
59.9 thereafter.

59.10 Sec. 5. **DEPARTMENT OF REVENUE; APPROPRIATION.**

59.11 \$10,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
59.12 of revenue to perform the duties necessary to establish and enforce the taxation of mobile
59.13 sports betting under Minnesota Statutes, chapter 297J. The base for this appropriation is
59.14 \$2,023,000 in fiscal year 2026 and \$1,740,000 in fiscal year 2027 and each fiscal year
59.15 thereafter.

59.16 Sec. 6. **DEPARTMENT OF HUMAN SERVICES; APPROPRIATION.**

59.17 The base appropriation in fiscal year 2026 is \$216,000 and \$422,000 in fiscal year 2027
59.18 and each fiscal year thereafter are appropriated to the commissioner of human services to
59.19 administer the money appropriated under Minnesota Statutes, section 297J.02, subdivision
59.20 8.

59.21 Sec. 7. **OFFICE OF THE ATTORNEY GENERAL; APPROPRIATION.**

59.22 \$702,000 in fiscal year 2025 is appropriated from the general fund to the Office of the
59.23 Attorney General to perform the duties required to support state agencies regarding the
59.24 regulation of mobile sports betting under Minnesota Statutes, sections 299L.10 to 299L.80.
59.25 This is an ongoing appropriation.

APPENDIX
Article locations for 25-02411

ARTICLE 1	SHORT TITLE.....	Page.Ln 1.16
ARTICLE 2	LAWFUL SPORTS BETTING.....	Page.Ln 1.20
ARTICLE 3	TAXATION OF SPORTS BETTING.....	Page.Ln 34.22
ARTICLE 4	CRIMES RELATED TO SPORTS BETTING.....	Page.Ln 37.17
ARTICLE 5	SPORTS AND ACTIVITIES GRANTS.....	Page.Ln 45.22
ARTICLE 6	CHARITABLE GAMBLING.....	Page.Ln 49.25
ARTICLE 7	PARI-MUTUEL HORSE RACING.....	Page.Ln 56.1
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