

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

**S.F. No. 757**

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DATE	D-PG	OFFICIAL STATUS
01/30/2025	216	Introduction and first reading Referred to State and Local Government
03/27/2025	1113	Chief author stricken, shown as co-author Klein Chief author added Frentz

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 subdivisions; 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, chapters 297J; 297K; 349C.

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

1.16 **ARTICLE 1**

1.17 **LAWFUL SPORTS BETTING**

1.18 Section 1. **[299L.10] DEFINITIONS.**

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

1.20 meanings given.

1.21 Subd. 2. Athletic event. "Athletic event" means a sports game, match, or activity, or

1.22 series of games, matches, activities, or tournaments involving the athletic skill of one or

1.23 more players or participants. Athletic event does not include any of the following:

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

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

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

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

2.11 Subd. 4. **Betting exchange.** "Betting exchange" is a marketplace that facilitates  
2.12 peer-to-peer wagers without collecting fees for wagers placed.

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

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

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

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

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

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

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

3.1 (3) the video game is approved by the commissioner to be an event eligible for wagering  
3.2 under this section to section 299L.80.

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

3.6 (1) the Fond du Lac Band;

3.7 (2) the Grand Portage Band;

3.8 (3) the Mille Lacs Band;

3.9 (4) the White Earth Band;

3.10 (5) the Bois Forte Band;

3.11 (6) the Leech Lake Band;

3.12 (7) the Red Lake Nation;

3.13 (8) the Upper Sioux Community;

3.14 (9) the Lower Sioux Indian Community;

3.15 (10) the Shakopee Mdewakanton Sioux Community; and

3.16 (11) the Prairie Island Indian Community.

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

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

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

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

3.27 (1) deposits and credits;

3.28 (2) withdrawals;

3.29 (3) mobile sports betting wagers;

4.1 (4) monetary value of winnings;

4.2 (5) service or other transaction related charges authorized by the authorized participant,  
4.3 if any;

4.4 (6) adjustments to the account;

4.5 (7) promotional activity; and

4.6 (8) responsible gaming parameters.

4.7 Subd. 15. **Mobile sports betting operator.** "Mobile sports betting operator" means an  
4.8 Indian Tribe that receives a license from the commissioner to operate, conduct, or offer for  
4.9 play mobile sports betting under this section to section 299L.80.

4.10 Subd. 16. **Mobile sports betting platform.** "Mobile sports betting platform" means an  
4.11 integrated system of hardware, software, or applications, including mobile applications and  
4.12 servers, through which a mobile sports betting operator operates, conducts, or offers sports  
4.13 betting through the Internet.

4.14 Subd. 17. **Mobile sports betting platform provider.** "Mobile sports betting platform  
4.15 provider" means a sports betting supplier that contracts with a mobile sports betting operator  
4.16 to provide a mobile sports betting platform.

4.17 Subd. 18. **Participant in a sporting event.** "Participant in a sporting event" means a  
4.18 person engaging in a sporting event as a player, coach, or official, or who is an owner or  
4.19 officer of a team engaging in a sporting event or the league or organization organizing the  
4.20 sporting event.

4.21 Subd. 19. **Peer-to-peer wager.** "Peer-to-peer wager" means a wager placed between  
4.22 two individuals in which one individual sets the conditions for a wager on a sporting event  
4.23 and is matched by a betting exchange against another individual who sets the opposite  
4.24 conditions for a wager for the same sporting event.

4.25 Subd. 20. **Sporting event.** "Sporting event" means an athletic event, esports event,  
4.26 college sports event, or other event approved by the commissioner to be an event eligible  
4.27 for wagering under this section to section 299L.80.

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

4.30 (1) organized by a professional sports organization, internationally recognized sports  
4.31 organization, amateur sports organization, or a postsecondary educational institution or  
4.32 group of postsecondary educational institutions; and

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

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

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

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

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

5.12 (f) A peer-to-peer wager placed on a betting exchange is not sports betting regulated  
5.13 under this section to section 299L.80.

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

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

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

5.29 Sec. 2. **[299L.11] SCOPE.**

5.30 Subdivision 1. **Lawful mobile sports betting.** A person 21 years of age or older may  
5.31 participate in mobile sports betting within the state provided the person places all wagers

6.1 with an entity licensed under sections 299L.10 to 299L.80 and is not disqualified, prohibited,  
6.2 or excluded from placing a wager on a sporting event.

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

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

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

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

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

6.17 (2) promote public safety and welfare; and

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

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

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

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

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

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

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

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

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

7.7 (8) the appropriate standards and practices to prevent and address compulsive and  
7.8 problem gambling;

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

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

7.13 (11) the requirements for obtaining and retaining mobile sports betting operator licenses,  
7.14 mobile sports betting platform provider licenses, and sports wagering supplier licenses,  
7.15 including requirements for criminal and financial background checks, financial disclosure  
7.16 and auditing requirements, data practices and security requirements, bonding or other surety  
7.17 requirements, and the conduct of inspections;

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

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

7.23 (14) the requirements for employees of mobile sports betting operators whose exclusive  
7.24 or primary responsibilities involve mobile sports betting, including minimum age  
7.25 requirements, criminal background checks, and retention of documents related to the  
7.26 employees;

7.27 (15) the appropriate limits, requirements, standards, and regulations related to marketing  
7.28 and advertising, developed in consultation with the state affiliate recognized by the National  
7.29 Council on Problem Gambling, including rules to address the time, place, and manner of  
7.30 marketing and advertising, the types of wagers that may be marketed or advertised, and the  
7.31 types of mobile sports betting accounts that may be marketed or advertised;

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

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

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

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

8.6 (iv) rules that limit the frequency of advertisements;

8.7 (17) the appropriate standards for limiting the total number of wagers an individual can  
8.8 place within a specified period of time and any required waiting period between placing  
8.9 wagers, in order to reduce the addictive impact of mobile wagering applications;

8.10 (18) the requirements for monitoring patterns of wagering to identify behaviors consistent  
8.11 with problem gambling and the appropriate actions to take when problem gambling is  
8.12 suspected, including pausing or suspending activities from an identified mobile sports betting  
8.13 account; and

8.14 (19) the appropriate limits, standards, and requirements necessary to prevent excessive  
8.15 wagering by an individual whose ability to control impulsive wagering is impaired in any  
8.16 way.

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  
8.33 mobile sports betting operators with an opportunity to respond, but may establish reasonable



9.1 deadlines for the response based on the nature of the request and any exigent circumstances  
9.2 that exist.

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

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

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

9.21 Subd. 4. **Helpline.** The commissioner must provide a helpline, accessible by telephone  
9.22 or online live chat, that operates 24 hours per day and seven days per week, staffed by people  
9.23 trained in the psychology of gambling disorders and suicide prevention to assist those who  
9.24 contact the helpline to help the person with a gambling disorder.

9.25 Subd. 5. **Methods for identifying people at risk for gambling disorders.** The  
9.26 commissioner must monitor the sports betting industry for the most effective methods to  
9.27 identify people with a gambling disorder. The commissioner must adopt rules to implement  
9.28 best practices to prevent sports betting by people flagged as having a gambling disorder or  
9.29 being at risk of developing a gambling disorder.

9.30 Subd. 6. **Exclusion list audits.** The commissioner must periodically conduct audits as  
9.31 to the compliance of mobile sports betting platform providers and mobile sports betting  
9.32 operators with any preclusions on sports betting in section 299L.45.

10.1 Subd. 7. **Delegation.** The commissioner may delegate any of its authority under this  
10.2 chapter to the director if, in the judgment of the commissioner, doing so would promote the  
10.3 efficient administration of this chapter.

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

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

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

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

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

10.9 (4) sports betting supplier licenses; and

10.10 (5) sports betting supplier provisional licenses.

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

10.12 **Sec. 5. [299L.25] GENERAL LICENSING REQUIREMENTS;**  
10.13 **DISQUALIFICATIONS; BACKGROUND INVESTIGATIONS.**

10.14 Subdivision 1. **General requirements.** (a) A licensee or applicant must meet each of  
10.15 the following requirements, if applicable, to hold or receive a license issued under sections  
10.16 299L.10 to 299L.80:

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

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

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

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

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

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

10.27 (b) The requirements under paragraph (a) apply to the applicant or licensee; a director,  
10.28 officer, partner, or member of the governing body for the applicant or licensee; a person in

11.1 a supervisory or management position of the applicant or licensee; or any direct or indirect  
11.2 holder of more than ten percent financial interest in the applicant or licensee.

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

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

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

11.11 (2) is a crime involving gambling; or

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

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

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

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

12.1 Subd. 4. **Criminal history record check.** The commissioner must perform a criminal  
12.2 history record check on each officer, director, or stakeholder with more than ten percent  
12.3 interest in the licensee or applicant. The records check must include a criminal history check  
12.4 of the state and federal criminal records. The applicant or licensee must provide signed  
12.5 consent for the national criminal history records check and fingerprints for each person  
12.6 subject to a check under this subdivision. The director shall assist in performing the criminal  
12.7 history records check. The director may charge an applicant a fee to cover the cost of the  
12.8 criminal history record check, and shall from this fee reimburse the Division of Alcohol  
12.9 and Gambling Enforcement for its share of the cost of the investigation. The commissioner  
12.10 or the director must submit the signed informed consent, fingerprints, and Bureau of Criminal  
12.11 Apprehension and Federal Bureau of Investigation fees to the superintendent of the Bureau  
12.12 of Criminal Apprehension who is authorized to exchange the fingerprints with the Federal  
12.13 Bureau of Investigation to obtain the applicant's national criminal history data. The  
12.14 superintendent of the Bureau of Criminal Apprehension shall retrieve Minnesota criminal  
12.15 history data and shall provide the results of the state and federal criminal history record  
12.16 check to the director. The commissioner is authorized to have access to all criminal history  
12.17 data compiled on licensees and applicants by the Division of Alcohol and Gambling  
12.18 Enforcement, including criminal history data on each officer, director, or stakeholder with  
12.19 more than ten percent interest in the licensee or applicant.

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

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

12.26 Subdivision 1. **Application; contents.** An application for a license under sections  
12.27 299L.10 to 299L.80 must be submitted on a form prescribed by the commissioner. At a  
12.28 minimum, the application must include:

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

12.32 (2) the type of license being sought;

12.33 (3) if required by the commissioner, the names of any person holding directly, indirectly,  
12.34 or beneficially an interest of any kind in the applicant or any of its holding corporations,

13.1 whether the interest is financial, administrative, policy making, or supervisory. This provision  
13.2 does not extend to individual Tribal members whose only relation to the applicant is their  
13.3 membership in their respective Tribal Nations, or to an elected or appointed representative  
13.4 of any applicant or licensee that is an Indian Tribe unless the representative is also a full-time  
13.5 employee of the applicant's or licensee's mobile sports betting operations;

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

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

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

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

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

13.14 or

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

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

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

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

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

13.30 (b) If the commissioner receives an application that fails to provide the required  
13.31 information, the commissioner shall issue a deficiency notice to the applicant. The applicant

14.1 shall have ten business days from the date of the deficiency notice to submit the required  
14.2 information.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15.17 (4) include mechanisms on its mobile sports betting platform that are designed to detect  
15.18 and prevent the unauthorized use of Internet sports betting accounts and to detect and prevent  
15.19 fraud, money laundering, and collusion, or require a contracted mobile sports betting platform  
15.20 provider to include those mechanisms;

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

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

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

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

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

15.29 Subd. 5. **Prohibition on use of information.** The provisions of this section only apply  
15.30 to mobile sports betting operations in this state and do not apply to other activities relating

16.1 to Tribal gaming operations, Tribal government records, or class III sports betting operations  
16.2 conducted exclusively on Indian lands.

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

16.4 Subdivision 1. **Issuance.** The commissioner may issue up to 11 mobile sports betting  
16.5 platform provider licenses that are valid for one year. A mobile sports betting platform  
16.6 provider may be renewed under conditions required by rule adopted pursuant to section  
16.7 299L.15.

16.8 Subd. 2. **Authorized actions.** A mobile sports betting platform provider license entitles  
16.9 the licensee to provide a sports betting platform, sports betting technology, sports betting  
16.10 applications, or associated mobile sports betting hardware, software, or equipment to a  
16.11 mobile sports betting operator.

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

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

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

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

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

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

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



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

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

17.5 Subd. 2. **Authorized actions.** A sports betting supplier license entitles the licensee to  
17.6 either directly or indirectly provide mobile sports betting operators with information and  
17.7 support necessary to offer mobile sports betting. Information and support may be provided  
17.8 in the form of services, goods, or software, and may include data feeds and odds services,  
17.9 risk management, and integrity monitoring.

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

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

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

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

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

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

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

17.22 (2) investment funds or entities registered with the Securities and Exchange Commission,  
17.23 including any investment advisors or entities under the management of an entity registered  
17.24 with the Securities and Exchange Commission, that are direct or indirect shareholders of  
17.25 the applicant.

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

18.1 Sec. 11. [299L.35] PARTNERSHIP ALLOWED.

18.2 Subdivision 1. Ability to contract with platform providers. (a) A mobile sports betting  
18.3 operator may, but is not required to, contract with a mobile sports betting platform provider  
18.4 to provide, create, or operate sports betting platforms, sports betting technology, sports  
18.5 betting applications, or associated mobile sports betting hardware, software, or equipment.

18.6 (b) If a mobile sports betting operator chooses to contract with a mobile sports betting  
18.7 platform provider for these services, the mobile sports betting operator shall contract with  
18.8 no more than one mobile sports betting platform provider.

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

18.13 Subd. 2. Logo display required. A mobile sports betting platform provider that has  
18.14 contracted with a mobile sports betting operator must clearly display a brand of the mobile  
18.15 sports betting operator within its mobile application.

18.16 Sec. 12. [299L.36] DEPOSIT OF FEES.

18.17 Application, registration, license, and renewal fees shall be deposited in the general  
18.18 fund.

18.19 Sec. 13. [299L.37] ADVERTISING.

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

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

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

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

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

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

19.9 Subd. 4. **Prohibition on advertising in certain locations.** No advertising, marketing,  
19.10 or other promotional materials may be published, aired, displayed, disseminated, or  
19.11 distributed by or on behalf of a mobile sports betting operator or mobile sports betting  
19.12 platform provider for sports betting:

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

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

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

19.18 Subd. 5. **Prohibition on false or misleading claims.** No licensee or other person shall  
19.19 publish or cause to be published an advertisement for mobile sports betting that contains  
19.20 false or misleading claims; statements, words, or pictures of an obscene, indecent, or immoral  
19.21 character; or such as would offend public morals or decency.

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

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

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

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

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

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

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

20.9 (5) in-game betting;

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

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

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

20.16 (1) player injuries;

20.17 (2) penalties;

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

20.19 (4) replay reviews.

20.20 (b) Mobile sports betting operators shall not offer or accept wagers on propositional  
 20.21 occurrences or proposition bets on college sports.

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

20.25 (b) Money deposited in a mobile sports betting account may not be used to place a wager  
 20.26 until at least three hours have passed from the time of the deposit.

20.27 (c) Unless otherwise prohibited by state or federal law or regulation, upon written request  
 20.28 by a mobile sports betting operator to a platform provider, the mobile sports betting platform  
 20.29 provider must provide access to the name, email address, physical mailing address, and  
 20.30 record of mobile sports wagers placed and use of free bets or promotional play in this state  
 20.31 of an authorized participant who establishes a mobile sports betting account in Minnesota.

21.1 The Minnesota mobile sports betting operator may store and use the authorized participant  
21.2 data for ordinary business purposes. This section does not apply to individuals on the  
21.3 exclusion list in section 299L.45, subdivision 1.

21.4 Subd. 5. **Consideration; mobile sports betting account.** (a) A mobile sports betting  
21.5 operator or mobile sports betting platform provider must not accept a wager unless the  
21.6 authorized participant provides consideration in the form of funds or another thing of value  
21.7 such as use of free bets or promotional credits from their mobile sports betting account at  
21.8 the time of making the wager.

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

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

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

21.20 Subd. 6. **Personal limits; mobile sports betting account.** (a) A mobile sports betting  
21.21 account must provide a mechanism for a person to set limits on the amount of time they  
21.22 spend on the mobile sports betting platform, set limits on the amount of money they spend  
21.23 on the platform, and self-exclude from using the mobile sports betting platform. A mobile  
21.24 sports betting account provider must allow a person to set the following limits for the person's  
21.25 mobile sports betting account:

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

21.27 (2) a limit on losses within a specified period; and

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

21.29 (b) The mobile sports betting account must not allow the account to be used to place  
21.30 bets when the person has exceeded a limit the person has set. The mobile sports betting  
21.31 account provider must provide notice to the person of the opportunity to set these limits at  
21.32 the time the person sets up the account and annually after setup and must require a person  
21.33 to either set limits or affirm that the person does not want to set any limits at account setup

22.1 and annually after setup. The notice must be worded and formatted as specified by the  
22.2 commissioner.

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

22.6 (1) a limit on the amount of money the person can lose in a 24-hour period before  
22.7 triggering a cooling-off period;

22.8 (2) a limit on the amount of money the person can lose in a 30-day period before  
22.9 triggering a cooling-off period;

22.10 (3) the maximum amount of money the person may deposit into the their mobile sports  
22.11 betting account in a 24-hour period;

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

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

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

22.18 (1) \$500 is the default amount of losses a person can incur in a 24-hour period before  
22.19 the person is prohibited from wagering;

22.20 (2) \$3,000 is the default limit on the amount a person can lose in a 30-day period before  
22.21 the person is prohibited from wagering;

22.22 (3) \$500 is the default maximum amount a person may deposit into the person's mobile  
22.23 sports betting account in a 24-hour period; and

22.24 (4) 72 hours is the default length of a cooling-off period if a person requests a cooling-off  
22.25 period during which time wagers from the person cannot be accepted.

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

22.30 (d) A mobile sports betting operator must allow a person to make changes to their  
22.31 exclusion settings under paragraph (a) in ways that make them more restrictive at any time  
22.32 and those limits must take effect immediately. Changes that make the exclusion settings

23.1 under paragraph (a) less restrictive become effective seven days after the person makes the  
23.2 change.

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

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

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

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

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

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

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

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

23.28 (3) the amount wagered; and

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

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

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

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

24.7 (a) Mobile sports betting operators and mobile sports betting platform providers are  
24.8 prohibited from sending a message from a mobile sports betting application or website that  
24.9 appears on a user's device while the application or website is inactive unless the message  
24.10 is sent to notify the user of potentially fraudulent activity associated with the user's mobile  
24.11 sports betting account.

24.12 (b) Mobile sports betting operators and mobile sports betting platform providers are  
24.13 prohibited from sending a message that advertises or promotes sports betting from a mobile  
24.14 sports betting application or website to appear on a user's device while the user is setting  
24.15 self-imposed restrictions under section 299L.45.

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

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

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

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

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

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

24.26 (b) A person who has requested to be on the exclusion list may specify a time limit of  
24.27 one, three, or five years or for a person's lifetime for the person's name to be on the list. The  
24.28 commissioner will remove the person's name from the list at the conclusion of the specified  
24.29 time. A person whose name was added to the exclusion list under paragraph (a), clauses (3)  
24.30 and (4), may be removed from the list before the specified time by providing proof of  
24.31 completion of a program approved by the commissioner to address compulsive gambling.



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

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

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

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

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

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

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

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

25.24 Subd. 3. Prohibition on accepting wagers. (a) A mobile sports betting operator or  
25.25 mobile sports betting platform provider shall not knowingly accept a wager from a person  
25.26 on the exclusion list or allow a person on the exclusion list to establish a mobile sports  
25.27 betting account.

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

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

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

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

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

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

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

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

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

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

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

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

26.28 Subd. 3. **Bond.** A mobile sports betting operator or mobile sports betting platform  
26.29 provider shall be required to post a bond, securities, or an irrevocable letter of credit in an  
26.30 amount the commissioner deems necessary after taking into consideration the amount of  
26.31 the mobile sports betting operator's cash reserves, to protect the financial interests of people  
26.32 wagering on sporting events. If securities are deposited or an irrevocable letter of credit

27.1 filed, the securities or letter of credit must be of a type or in the form provided under section  
27.2 349A.07, subdivision 5, paragraphs (b) and (c).

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

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

27.10 (b) If any unusual betting activity is deemed by independent integrity monitoring provider  
27.11 to have risen to the level of suspicious betting activity, the independent integrity monitoring  
27.12 provider shall immediately report the suspicious activity to the commissioner, all mobile  
27.13 sports betting operator or mobile sports betting platform provider licensees that contract  
27.14 with that integrity provider, and the sports governing body that governs the sporting event  
27.15 on which the suspicious activity was deemed to have taken place.

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

27.23 (d) Notwithstanding paragraph (c), a sports governing body may make disclosures  
27.24 necessary to conduct and resolve integrity-related investigations and may publicly disclose  
27.25 such information if required by the sports governing body's integrity policies or if deemed  
27.26 by the sports governing body in its reasonable judgment to be necessary to maintain the  
27.27 actual or perceived integrity of its sporting events. Prior to any such public disclosure that  
27.28 would identify the mobile sports betting operator by name, the sports governing body will  
27.29 provide the mobile sports betting operator with notice of such disclosure and an opportunity  
27.30 to object to such disclosure.

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

27.32 Subdivision 1. **Record retention.** Mobile sports betting operators shall maintain records  
27.33 of all bets and wagers placed, including personally identifiable information of an authorized

28.1 participant, amount and type of wager, time the wager was placed, location of the wager,  
28.2 including IP address if applicable, the outcome of the wager, and records of abnormal betting  
28.3 activity for 3-1/2 years after the sporting event occurs. Mobile sports betting operators shall  
28.4 make the data described in this subdivision available for inspection upon request of the  
28.5 commissioner or as required by court order.

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

28.14 Subd. 3. **Information sharing.** (a) If a sports governing body has notified the  
28.15 commissioner that access to the information described in subdivision 2 for wagers placed  
28.16 on sporting events of the sports governing body is necessary to monitor the integrity of such  
28.17 body's sporting events, mobile sports betting operators shall share, in a commercially  
28.18 reasonable frequency, form, and manner, with the sports governing body or its designees  
28.19 the information under subdivision 2 with respect to sports wagers on sporting events of such  
28.20 sports governing body.

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

28.24 (c) Mobile sports betting operators must share, in a time and manner prescribed by the  
28.25 commissioner, the information described in subdivisions 1 and 2 with the University of  
28.26 Minnesota for the purpose of conducting research to ensure the integrity of sports betting  
28.27 or assist the commissioner of human services in improving state-funded services related to  
28.28 responsible gambling and problem gambling. Information that the University of Minnesota  
28.29 receives from mobile sports betting operators under this paragraph constitutes data on the  
28.30 mobile sports betting operator and is classified as nonpublic data, as defined by section  
28.31 13.02. The University of Minnesota must not disclose the information to any person, except  
28.32 for the purpose of conducting the research described in this paragraph, as part of a  
28.33 peer-reviewed research report, or pursuant to an agreement between the University of  
28.34 Minnesota and the mobile sports betting operators or sports governing body.

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

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

29.5 Subdivision 1. **Inspection.** The commissioner and the director are authorized to inspect  
29.6 the accounting records of licensees at any time provided the licensee is given notice at least  
29.7 24 hours before the inspection. This provision only applies to mobile sports betting operations  
29.8 and does not authorize the inspection of records related to Tribal gaming operations, Tribal  
29.9 governmental records, or class III sports betting operations conducted exclusively on Indian  
29.10 lands.

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

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

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

29.23 Subd. 2. **Authority to act.** (a) The commissioner may issue administrative orders, impose  
29.24 civil penalties, and suspend, revoke, or not renew a license issued pursuant to sections  
29.25 299L.10 to 299L.80 if the commissioner determines that a licensee has committed or is  
29.26 about to commit a violation of those sections or rules adopted pursuant to those sections,  
29.27 or if the commissioner determines that the licensee is disqualified or ineligible to hold a  
29.28 license pursuant to section 299L.25 or 299L.26. A conviction for a violation of section  
29.29 299L.80 is not required for the commissioner to take action on a violation.

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

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

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

30.6 (2) the licensee has not timely filed a tax return or paid the tax required under chapter  
 30.7 297J; or

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

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

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

30.15 Subd. 4. **Notice of violation; administrative orders; request for reconsideration;**

30.16 **demand for hearing.** (a) The commissioner may issue an administrative order to any  
 30.17 licensee who has committed a violation. The order may require the licensee to correct the  
 30.18 violation or to cease and desist from committing the violation and may impose civil penalties.  
 30.19 The order must state the deficiencies that constitute a violation, the time by which the  
 30.20 violation must be corrected, and the amount of any civil penalty.

30.21 (b) If the licensee believes the information in the administrative order is in error, the  
 30.22 licensee may ask the commissioner to reconsider any parts of the order that are alleged to  
 30.23 be in error. The request must be in writing, delivered to the commissioner by certified mail  
 30.24 within seven days after receipt of the order, and provide documentation to support the  
 30.25 allegation of error. The commissioner must respond to a request for reconsideration within  
 30.26 15 days after receiving the request. A request for reconsideration does not stay the order  
 30.27 unless the commissioner issues a supplemental order granting additional time. The  
 30.28 commissioner's disposition of a request for reconsideration is final.

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

30.31 (d) A licensee may request a hearing on the administrative order within 30 days of the  
 30.32 service of the order. The request must be in writing and delivered to the commissioner by

31.1 certified mail. If the licensee does not request a hearing within 30 days, the order becomes  
31.2 final.

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

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

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

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

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

31.23 Subdivision 1. **Financial report.** By June 1 of each year, the commissioner must submit  
31.24 a report to the chairs and ranking minority members of the legislative committees with  
31.25 jurisdiction over public safety, the legislative committees with jurisdiction over taxes, the  
31.26 committee in the house of representatives with jurisdiction over commerce, the committee  
31.27 in the senate with jurisdiction over state government finance and policy, the committee in  
31.28 the house of representatives with jurisdiction over ways and means, and the committee in  
31.29 the senate with jurisdiction over finance. The report must describe the activities of the  
31.30 commissioner with respect to wagering on sporting events and include summary financial  
31.31 information on sports betting and the regulated sports betting industry as a whole. The report  
31.32 must not include information or data on individuals or entities that is classified as private  
31.33 data under section 299L.70 or separately list the earnings, wagers, or tax revenue generated  
31.34 by or use identifying information for specific mobile sports betting operators.

32.1 Subd. 2. **License activity report.** By February 1 of each year beginning in 2025, the  
 32.2 commissioner shall submit a report to the chairs and ranking minority members of the  
 32.3 committees in the house of representatives and the senate with jurisdiction over public  
 32.4 safety, the committee in the house of representatives with jurisdiction over commerce, and  
 32.5 the committee in the senate with jurisdiction over state government finance and policy on  
 32.6 the following:

32.7 (1) the status of applications for licenses issued by the commissioner, including the  
 32.8 number of applications for each type of license, the number of licenses of each type issued,  
 32.9 and the average time between receipt of a complete application and issuance of each type  
 32.10 of license;

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

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

32.15 (4) the commissioner's enforcement actions taken against persons licensed under sections  
 32.16 299L.10 to 299L.80 for licensing violations, including violations of the rules adopted under  
 32.17 section 299L.15.

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

32.19 Subdivision 1. **Classification.** Data in which an individual who has wagered on sporting  
 32.20 events is identified by name, account number, Social Security number, or any other uniquely  
 32.21 identifying indicia, is private data on individuals, as defined in section 13.02, subdivision  
 32.22 12. Data on individual earnings of mobile sports betting operators, mobile sports betting  
 32.23 operator application and licensing information, and all Tribal revenue records unassociated  
 32.24 with mobile sports betting operators is nonpublic data, as defined in section 13.02, subdivision  
 32.25 9.

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



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

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

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

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

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

33.14 Sec. 26. **[299L.751] STUDY ON THE IMPACT OF SPORTS BETTING ON**  
33.15 **PROBLEM GAMBLING, GAMBLING DISORDERS, YOUTH GAMBLING, AND**  
33.16 **SUICIDE.**

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

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

33.22 The commissioner must review the laws of other states in which wagering on sports is  
33.23 regulated to identify restrictions and safeguards on sports wagering that would be advisable  
33.24 to ensure the integrity of sports betting and to provide effective safety measures to protect  
33.25 people with a gambling disorder or who are at risk of developing a gambling disorder. The  
33.26 commissioner must adopt rules to implement the restrictions and safeguards the commissioner  
33.27 identifies from other states as advisable under this section. By January 15 of each year, the  
33.28 commissioner shall report to the chairs and ranking minority members of the committees  
33.29 in the house of representatives and the senate with jurisdiction over sports wagering on  
33.30 advisable restrictions and safeguards, including draft legislation to implement the additional  
33.31 restrictions or safeguards.

34.1 **Sec. 28. [299L.755] SPORTS BETTING EQUALIZATION.**

34.2 Subdivision 1. **Account created; appropriation.** (a) The sports betting equalization  
34.3 account is established in the special revenue fund. The account shall consist of the amounts  
34.4 deposited pursuant to sections 297J.02 and 297K.02.

34.5 (b) The amount necessary to make payments under subdivision 2 is appropriated to the  
34.6 commissioner of revenue.

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

34.10 Subd. 2. **Payments.** (a) The commissioner of revenue must make payments under this  
34.11 section to each eligible Indian Tribe as defined in section 299L.10, subdivision 10, in an  
34.12 amount equal to the amount of funds available in the sports betting equalization account as  
34.13 of June 30 of the same calendar year divided equally among each eligible Indian Tribe. For  
34.14 the purposes of this section, "eligible Indian Tribe" means any Indian Tribe that does not  
34.15 contract with a mobile sports betting platform provider that constitutes more than ten percent  
34.16 of the Minnesota market share of sports betting platform providers as of December 31 of  
34.17 the prior calendar year. For purposes of determining market share amounts, any platform  
34.18 provider with a common majority owner is the same platform provider.

34.19 (b) The commissioner must make payments annually by October 1.

34.20 Subd. 3. **Report.** The commissioner of revenue must submit a report to the chairs and  
34.21 ranking minority members of the legislative committees with jurisdiction over taxes providing  
34.22 a list of eligible Indian Tribes receiving a distribution and the amount distributed to each  
34.23 eligible Indian Tribe.

34.24 **Sec. 29. INDIAN TRIBES; COMPACTS TO BE NEGOTIATED.**

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

34.29 **Sec. 30. TIMELINE.**

34.30 (a) All initial licenses issued by the commissioner under this article must be effective  
34.31 on the same day for applicants who have met all license application requirements by a date

35.1 set by the commissioner. This requirement does not apply to provisional licenses issued by  
35.2 the commissioner.

35.3 (b) The commissioner must provide notice of the anticipated effective date for licenses  
35.4 at least ten days before the anticipated date for the effective date of licenses, including  
35.5 provisional licenses. The notice must be provided to all licensees, the commissioner of  
35.6 revenue, and the chairs and ranking minority members of the legislative committees with  
35.7 jurisdiction over public safety and state government.

35.8 Sec. 31. **EFFECTIVE DATE.**

35.9 This article is effective the day following final enactment.

35.10 **ARTICLE 2**  
35.11 **TAXATION OF SPORTS BETTING**

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

35.14 Subd. 6. **Disclosure to Department of Public Safety.** The commissioner may disclose  
35.15 return information to the commissioner of public safety for the purpose of verifying licensure  
35.16 requirements under sections 299L.25 and 349C.03.

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

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

35.19 (a) Unless otherwise defined in this chapter, or unless the context clearly indicates  
35.20 otherwise, the following terms have the meanings given.

35.21 (b) "Cash equivalent" means the cash value of any free bets, promotional credits, and  
35.22 any other noncash form of consideration, payment, or compensation.

35.23 (c) "Casino" has the meaning given in section 299L.10, subdivision 5.

35.24 (d) "Commissioner" means the commissioner of revenue.

35.25 (e) "Mobile sports betting operator" has the meaning given in section 299L.10, subdivision  
35.26 15.

35.27 (f) "Sporting event" has the meaning given in section 299L.10, subdivision 20.

35.28 (g) "Sports betting" has the meaning given in section 299L.10, subdivision 21.

36.1 (h) "Sports betting net revenue" means the total of all cash and cash equivalents received  
 36.2 in a month by a mobile sports betting operator from wagers on sporting events, less the  
 36.3 following:

36.4 (1) cash paid out as winnings in the month; and

36.5 (2) the fair market value of noncash prizes paid out as winnings in the month.

36.6 (i) "Wager" has the meaning given in section 299L.10, subdivision 24.

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

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

36.9 Subdivision 1. **Tax imposed.** (a) Except as provided in paragraph (b), a tax is imposed  
 36.10 on sports betting net revenue received equal to 22 percent on wagers placed online through  
 36.11 a website or mobile application, as allowed under section 299L.40.

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

36.14 Subd. 2. **Sports betting net revenue tax in lieu of other taxes.** Income derived by a  
 36.15 sports game, match, or activity; a series of games, matches or activities; or a tournament or  
 36.16 tournaments involving a sporting event is not subject to the tax imposed in chapter 290.  
 36.17 Wagers accepted by a mobile sports betting operator are not subject to the tax imposed in  
 36.18 section 297A.62 or 297E.03.

36.19 Subd. 3. **Returns; due dates.** A mobile sports betting operator must file a return by the  
 36.20 20th day of each month reporting the tax due under this section for the preceding month.  
 36.21 The return must include the amount of all wagers received, payouts made, all sports betting  
 36.22 taxes owed, and other information required by the commissioner. The tax under this chapter  
 36.23 is due to be paid to the commissioner on the day the return is due.

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

36.28 (1) 45 percent must be appropriated to the commissioner of revenue for the purposes of  
 36.29 making payments under section 297E.02, subdivision 12;

36.30 (2) 15 percent must be transferred to the racing economic development account to be  
 36.31 distributed in accordance with section 240.1563;

37.1 (3) 15 percent must be transferred to the sports betting equalization account to be  
37.2 distributed in accordance with section 299L.755;

37.3 (4) ten percent must be transferred to the sports marketing and awareness account to be  
37.4 distributed in accordance with section 116U.60;

37.5 (5) ten percent must be appropriated to the commissioner of human services to be  
37.6 distributed in accordance with section 245.983; and

37.7 (6) five percent must be transferred to the amateur sports integrity and participation  
37.8 account to be distributed in accordance with section 240A.15.

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

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

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

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

37.18 Subdivision 1. **Business records.** A mobile sports betting operator must maintain records  
37.19 supporting the sports betting activity and taxes owed. Records required to be kept in this  
37.20 section must be preserved by the mobile sports betting operator for at least 3-1/2 years after  
37.21 the return is due or filed, whichever is later, and may be inspected by the commissioner at  
37.22 any reasonable time without notice or a search warrant.

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

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

38.1 Sec. 5. [297J.04] OTHER PROVISIONS APPLY.

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

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

38.6 **ARTICLE 3**  
38.7 **FANTASY CONTESTS**

38.8 Section 1. [349C.01] DEFINITIONS.

38.9 Subdivision 1. **Terms.** For the purposes of this chapter, the following terms have the  
38.10 meanings given.

38.11 Subd. 2. **Adjusted gross fantasy contest receipts.** "Adjusted gross fantasy contest  
38.12 receipts" means the amount equal to the total of all entry fees that a fantasy contest operator  
38.13 collects from all participants minus the total of all prizes paid out to all participants multiplied  
38.14 by the location percentage for this state.

38.15 Subd. 3. **Athletic event.** "Athletic event" means a sports game, match, or activity; a  
38.16 series of games, matches, or activities; or a tournament or tournaments involving the athletic  
38.17 skill of one or more players or participants.

38.18 Subd. 4. **Authorized participant.** "Authorized participant" means an individual who  
38.19 has a valid fantasy contest account with a fantasy contest operator and is at least 21 years  
38.20 of age.

38.21 Subd. 5. **College sports.** "College sports" means a sporting event in which at least one  
38.22 participant is a team or individual from a public or private institution of higher education.

38.23 Subd. 6. **Commissioner.** "Commissioner" means the commissioner of public safety.

38.24 Subd. 7. **Entry fee.** "Entry fee" means cash or a cash equivalent that is required to be  
38.25 paid by an authorized participant and set in advance by a fantasy contest operator to  
38.26 participate in a fantasy contest.

38.27 Subd. 8. **Esports event.** "Esports event" means a competition between individuals or  
38.28 teams using video games in a game, match, or contest; a series of games, matches, or contests;  
38.29 a tournament; or a person or team against a specified measure of performance which is  
38.30 hosted at a physical location or online that is approved by the commissioner to be an event  
38.31 eligible for fantasy contests under this chapter.

39.1 Subd. 9. **Fantasy contest.** "Fantasy contest" means any simulated game or contest, with  
39.2 an entry fee, in which:

39.3 (1) the value of all prizes offered to a winning authorized participant are established and  
39.4 made known to the authorized participant in advance of the contest;

39.5 (2) all winning outcomes reflect the relative knowledge and skill of the authorized  
39.6 participant; and

39.7 (3) the authorized participant assembles, owns, or manages a fictional entry or roster of  
39.8 actual professional or amateur athletes, who participate in real-world sports events or esports  
39.9 events that are regulated by a governing body, and that are held between professional players  
39.10 who play individually or as teams.

39.11 Subd. 10. **Fantasy contest account.** "Fantasy contest account" means an electronic  
39.12 ledger in which the following types of transactions relative to an authorized participant are  
39.13 recorded:

39.14 (1) deposits and credits;

39.15 (2) withdrawals;

39.16 (3) fantasy contest wagers;

39.17 (4) monetary value of winnings;

39.18 (5) service or other transaction-related charges authorized by the authorized participant,  
39.19 if any;

39.20 (6) adjustments to the account;

39.21 (7) promotional activity; and

39.22 (8) responsible gaming parameters.

39.23 Subd. 11. **Fantasy contest operator.** "Fantasy contest operator" means an entity that is  
39.24 licensed by the commissioner to operate, conduct, or offer for play fantasy contests under  
39.25 this chapter. A fantasy contest operator shall not be an authorized participant in a fantasy  
39.26 contest. An Indian Tribe that does not contract with a fantasy contest operator to operate  
39.27 fantasy contests is considered to be a fantasy contest operator.

39.28 Subd. 12. **Indian Tribe** "Indian Tribe" means the following federally recognized Tribes  
39.29 and any instrumentality, political subdivision, legal entity, or other organization through  
39.30 which an Indian Tribe conducts business:

39.31 (1) the Fond du Lac Band;

40.1 (2) the Grand Portage Band;

40.2 (3) the Mille Lacs Band;

40.3 (4) the White Earth Band;

40.4 (5) the Bois Forte Band;

40.5 (6) the Leech Lake Band;

40.6 (7) the Red Lake Nation;

40.7 (8) the Upper Sioux Community;

40.8 (9) the Lower Sioux Indian Community;

40.9 (10) the Shakopee Mdewakanton Sioux Community; and

40.10 (11) the Prairie Island Indian Community.

40.11 Subd. 13. **Location percentage.** "Location percentage" means the percentage rounded  
40.12 to the nearest tenth of one percent of the total entry fees collected from authorized participants  
40.13 located in this state divided by the total entry fees collected from all players in the fantasy  
40.14 contest activity.

40.15 Subd. 14. **Sports event.** "Sports event" means an athletic event, esports event, college  
40.16 sports event, or other event approved by the commissioner to be an event eligible for  
40.17 participation in a fantasy contest under this chapter. Sports event does not include:

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

40.19 (2) an esports or athletic event, demonstration, activity, or tournament organized by an  
40.20 elementary, middle, or high school or by any youth activity sports program, league, or clinic.

40.21 Subd. 15. **Sports governing body.** "Sports governing body" means an organization that  
40.22 prescribes and enforces final rules and codes of conduct for a sporting event and participants  
40.23 engaged in the sport. For a sporting event sanctioned by a higher education institution, sports  
40.24 governing body means the athletic conference to which the institution belongs. For an esports  
40.25 event, sports governing body means the video game publisher of the title used in the esports  
40.26 competition.

40.27 Subd. 16. **Wager.** "Wager" means a transaction between an authorized participant and  
40.28 a licensed fantasy contest operator in which an authorized participant pays, deposits, or  
40.29 risks cash or a cash equivalent as an entry fee into a fantasy contest.



41.1 **Sec. 2. [349C.02] POWERS AND DUTIES OF THE COMMISSIONER.**

41.2 **Subdivision 1. Regulating fantasy contests.** The commissioner has the power and duty  
41.3 to regulate fantasy contests authorized under this chapter. In making rules, establishing  
41.4 policy, and regulating fantasy contests, the commissioner shall:

41.5 (1) ensure that fantasy contests are conducted in a fair and lawful manner;

41.6 (2) promote public safety and welfare; and

41.7 (3) ensure that fantasy contests are conducted in a manner that is transparent to authorized  
41.8 participants.

41.9 **Subd. 2. Rulemaking.** (a) The commissioner must adopt and enforce rules consistent  
41.10 with this chapter that address:

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

41.12 (2) the types of records that shall be kept by fantasy contest operators;

41.13 (3) the testing and auditing requirements for licensees, including requirements related  
41.14 to fantasy contest accounts;

41.15 (4) the method of accounting used by fantasy contest operators;

41.16 (5) the creation, funding, and use of fantasy contest accounts, debit cards, and checks  
41.17 by authorized participants, provided that the rules permit an authorized participant to fund  
41.18 a fantasy contest account through a bonus or promotion, an electronic bank transfer, an  
41.19 online or mobile payment system that supports online money transfers, a reloadable or  
41.20 prepaid card, and any other appropriate means approved by the commissioner, not including  
41.21 the use of credit cards;

41.22 (6) the appropriate standards and practices to prevent and address compulsive and  
41.23 problem gambling;

41.24 (7) the appropriate standards and practices to prevent and address fantasy contest entry  
41.25 by individuals who are not authorized participants or who are otherwise disqualified,  
41.26 prohibited, or excluded from contest entry;

41.27 (8) the sporting events eligible for fantasy contests;

41.28 (9) the requirements for obtaining and retaining fantasy contest operator licenses,  
41.29 including requirements for criminal and financial background checks, financial disclosure  
41.30 and auditing requirements, data practices and security requirements, bonding or other surety  
41.31 requirements, and the conduct of inspections;

42.1 (10) investigation into any licensed or unlicensed person or entity when a person or  
42.2 entity is engaged in conducting a fantasy contest or engaged in conduct advertised as a  
42.3 fantasy contest that does meet the requirements of this chapter;

42.4 (11) the requirements for monitoring patterns of participation to identify behaviors  
42.5 consistent with problem gambling and the appropriate actions to take when problem gambling  
42.6 is suspected, including pausing or suspending activities from an identified fantasy contest  
42.7 account; and

42.8 (12) the appropriate limits, standards, and requirements necessary to prevent excessive  
42.9 wagering by an individual whose ability to control impulsive wagering is impaired in any  
42.10 way.

42.11 (b) Rules for which notice is published in the State Register before January 1, 2026,  
42.12 may be adopted using the expedited rulemaking process in section 14.389.

42.13 Subd. 3. **Licensing; fee collection.** (a) The commissioner shall issue all fantasy contest  
42.14 operator licenses. Licenses issued under this chapter may not be transferred.

42.15 (b) The commissioner shall collect all license fees, including renewals, surcharges, and  
42.16 civil penalties imposed by this chapter.

42.17 Subd. 4. **Helpline.** The commissioner must provide a helpline, accessible by telephone  
42.18 or online live chat, that operates 24 hours per day and seven days per week and is staffed  
42.19 by people trained in the psychology of gambling disorders and suicide prevention to assist  
42.20 those who contact the helpline to help the person with a gambling disorder.

42.21 Subd. 5. **Methods for identifying people at risk for gambling disorders.** The  
42.22 commissioner must monitor the sports betting and fantasy contest industries for the most  
42.23 effective methods to identify people with a gambling disorder. The commissioner must  
42.24 adopt rules to implement best practices to prevent sports betting and fantasy contest  
42.25 participation by people flagged as having a gambling disorder or being at risk of developing  
42.26 a gambling disorder.

42.27 Subd. 6. **Exclusion list audits.** The commissioner must periodically audit for compliance  
42.28 of fantasy contest operators with any preclusions on sports betting and fantasy contests in  
42.29 section 349C.07.

42.30 Subd. 7. **Delegation.** The commissioner may delegate any of its authority under this  
42.31 chapter to the director of alcohol and gambling enforcement if, in the judgment of the  
42.32 commissioner, doing so would promote the efficient administration of this chapter.

43.1 Subd. 8. **Additional powers.** The commissioner may exercise any other powers necessary  
43.2 to enforce the provisions of this chapter.

43.3 Sec. 3. **[349C.03] LICENSING; APPLICATION REQUIREMENTS.**

43.4 Subdivision 1. **General requirements.** (a) A licensee or applicant must meet each of  
43.5 the following requirements, if applicable, to hold or receive a license issued under this  
43.6 chapter:

43.7 (1) a licensee or applicant must complete an application for licensure or application for  
43.8 renewal;

43.9 (2) a licensee or applicant must meet the requirements of section 349C.041;

43.10 (3) a licensee or applicant must pay the applicable application and licensing fees;

43.11 (4) a licensee or applicant must not owe \$500 or more in delinquent taxes, penalties, or  
43.12 interest, with delinquent taxes subject to the limitations under section 270C.72, subdivision  
43.13 2;

43.14 (5) not have, after demand, failed to file tax returns required by the commissioner of  
43.15 revenue; and

43.16 (6) an officer, director, or other person with a present direct or indirect financial or  
43.17 management interest in the applicant must not:

43.18 (i) be in default in the payment of an obligation or debt to the state;

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

43.21 (iii) be or have been convicted of engaging in an illegal business;

43.22 (iv) have ever been found guilty of fraud or misrepresentation in connection with  
43.23 wagering;

43.24 (v) have ever knowingly violated a rule or order of the commissioner or a law of  
43.25 Minnesota relating to wagering; or

43.26 (vi) be employed by any state agency with regulatory authority over fantasy contests.

43.27 (b) Any fantasy contest operator applying for licensure or renewal of a license may  
43.28 operate during the application period unless the commissioner has reasonable cause to  
43.29 believe that such operator is or may be in violation of the provisions of this chapter.

44.1 (c) A fantasy contest operator applying for licensure or renewal of a license must pay  
44.2 an application fee of \$3,300.

44.3 Subd. 2. **Application; contents.** (a) An application for a license under this chapter must  
44.4 be submitted on a form prescribed by the commissioner. At a minimum, the application  
44.5 must include:

44.6 (1) the business name, address, and contact information of the applicant;

44.7 (2) the applicant's website address;

44.8 (3) the applicant's tax identification number;

44.9 (4) proof of the applicant's financial security in an amount sufficient to comply with the  
44.10 provisions of section 349C.08;

44.11 (5) the name and address of all officers, directors, and shareholders with more than ten  
44.12 percent interest in the corporation and any of its holding companies;

44.13 (6) an affidavit executed by the applicant setting forth that, to the best of the applicant's  
44.14 knowledge, the applicant meets the requirements of subdivision 1, paragraph (a), clauses  
44.15 (3) to (5);

44.16 (7) an irrevocable consent statement, signed by the applicant, which states that suits and  
44.17 actions limited to the enforcement of this chapter may be commenced against the applicant  
44.18 by the commissioner in any court of competent jurisdiction in this state by the service on  
44.19 the secretary of state of any summons, process, or pleadings authorized by the laws of this  
44.20 state. If any summons, process, or pleading is served upon the secretary of state, it must be  
44.21 by duplicate copies. One copy must be retained in the Office of the Secretary of State and  
44.22 the other copy must be forwarded immediately by certified mail to the address of the  
44.23 applicant, as shown by the records of the commissioner;

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

44.26 (9) any additional information required by the commissioner.

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

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

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

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

45.6 Subd. 3. **Duty to update.** (a) During the pendency of an application and at any time  
45.7 after a license has been issued, an applicant or licensee shall notify the commissioner of  
45.8 any changes to the information provided under this section.

45.9 (b) If a change in the officers, directors, shareholders, or other persons with a present  
45.10 or future direct or indirect financial or management interest in a licensee or a change of  
45.11 ownership of more than ten percent of the shares of the licensee is made after the application  
45.12 for a license is filed or a license is issued, the applicant or licensee must notify the  
45.13 commissioner of the changes within ten days of their occurrence and submit a new affidavit  
45.14 as required by this section.

45.15 Subd. 4. **Deposit of fees.** Application, registration, license, and renewal fees shall be  
45.16 deposited in the general fund.

45.17 Sec. 4. **[349C.04] FANTASY CONTEST OPERATOR LICENSE.**

45.18 Subdivision 1. **Issuance; renewal.** (a) The commissioner may issue up to 11 licenses.  
45.19 Each license is valid for one year and may be renewed under conditions required by rule  
45.20 adopted pursuant to section 349C.02.

45.21 (b) Licenses issued under this chapter may not be transferred.

45.22 Subd. 2. **Licensing requirements.** A fantasy contest operator must:

45.23 (1) submit a completed application and all required documents or other materials pursuant  
45.24 to this chapter and any relevant rules;

45.25 (2) submit a detailed plan and specifications for the implementation of fantasy contests;

45.26 (3) include mechanisms on its platform that are designed to detect and prevent the  
45.27 unauthorized use of fantasy contest accounts and to detect and prevent fraud, money  
45.28 laundering, and collusion;

45.29 (4) include identity and geolocation verification procedures, which may require the use  
45.30 of a reputable independent third party that is in the business of verifying an individual's  
45.31 personally identifiable information and can detect potential prohibited participants;

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

46.3 (6) pay a licensing fee pursuant to subdivision 3 upon initial application and at each  
46.4 subsequent license renewal; and

46.5 (7) meet any other conditions required by rule adopted pursuant to section 349C.02.

46.6 Subd. 3. Fees. (a) The initial license fee for a fantasy contest operator that operated in  
46.7 Minnesota in the preceding 12 months shall be the greater of ten percent of its adjusted  
46.8 gross fantasy contest receipts from the preceding 12 months or \$5,000. The initial license  
46.9 fee for a fantasy contest operator that did not operate in the state for at least the preceding  
46.10 12 months shall be \$5,000.

46.11 (b) The license renewal fee shall be one percent of adjusted gross fantasy contest receipts  
46.12 for the preceding year.

46.13 Subd. 4. Continued operation; registration. (a) Any fantasy operator already offering  
46.14 fantasy contests to persons located in Minnesota before July 1, 2024, may continue to offer  
46.15 contests to persons located in Minnesota until the fantasy operator's application for licensure  
46.16 has been approved or denied so long as the fantasy operator files an application for licensure  
46.17 with the commissioner within 90 days of the commissioner making applications available  
46.18 for submission.

46.19 (b) A fantasy contest operator must register with the commissioner in a form and manner  
46.20 prescribed by the commissioner to continue operations under paragraph (a). The fantasy  
46.21 contest operator must submit its registration with a \$10,000 registration fee.

46.22 Subd. 5. Reporting. A fantasy contest operator must report to the commissioner monthly  
46.23 on wagers placed and redeemed during the reporting month and outstanding at the time of  
46.24 the report.

46.25 **Sec. 5. [349C.041] TRIBAL PARTNERSHIP REQUIRED.**

46.26 (a) A fantasy contest operator must contract with an Indian Tribe to obtain licensure  
46.27 under this chapter.

46.28 (b) A fantasy contest operator already offering fantasy contests to persons located in  
46.29 Minnesota for at least six consecutive months before June 1, 2024, must contract with an  
46.30 Indian Tribe by July 1, 2025. A fantasy contest operator may continue to offer contests  
46.31 during this time. If a fantasy contest operator fails to contract with an Indian Tribe by  
46.32 December 1, 2025, the operator must pay to the commissioner five percent of its adjusted

47.1 gross fantasy contest receipts of the six month period before June 1, 2024, during which  
47.2 the operator offered contests.

47.3 **Sec. 6. [349C.05] FANTASY CONTESTS AUTHORIZED.**

47.4 Subdivision 1. **Authorization.** A person 21 years of age or older may participate in a  
47.5 fantasy contest within the state provided the person places all wagers with an entity licensed  
47.6 under this chapter and is not disqualified, prohibited, or excluded from participation in a  
47.7 fantasy contest.

47.8 Subd. 2. **Fantasy contest.** (a) Entry into a fantasy contest by an authorized participant  
47.9 is lawful provided that:

47.10 (1) winning outcomes are determined solely by clearly established scoring criteria based  
47.11 on one or more statistical results of the performance of individual athletes, including but  
47.12 not limited to a fantasy score or a statistical measure of performance; and

47.13 (2) no winning outcome is entirely based on the score, point spread, or any performance  
47.14 of any single actual team or combination of teams or solely on any single performance of  
47.15 an individual athlete or player in any single actual event;

47.16 (b) Fantasy contests may include both contests in which authorized participants compete  
47.17 against each other and contests in which only a single authorized participant competes  
47.18 against a target score set by the fantasy contest operator.

47.19 (c) Any fantasy contest conducted under this chapter does not constitute sports betting  
47.20 for any purpose, as set forth in sections 299L.10 to 299L.80.

47.21 (d) A fantasy contest subject to the requirements of this chapter does not include:

47.22 (1) any fantasy contest in which the authorized participant is not required to pay an entry  
47.23 fee to a fantasy contest operator; or

47.24 (2) contests:

47.25 (i) with rosters whose membership is limited to athletes of a single sport;

47.26 (ii) that encompass at least one-half of a sport's regular season of the athletic activity in  
47.27 which the underlying competition is being conducted;

47.28 (iii) in which participants compete against each other; and

47.29 (iv) in which the fantasy contest operator, if it so chooses, retains an administrative fee  
47.30 not to exceed 50 percent of all entry fees paid to enter the single season-long contest.

47.31 Subd. 3. **Fantasy contest operator.** A fantasy contest operator must:

48.1 (1) make available on its website means to allow individuals to self-report to the exclusion  
48.2 list provided under section 349C.07;

48.3 (2) provide authorized participants with access to their play history and account details,  
48.4 including all deposit amounts, withdrawal amounts, a summary of entry fees expended, and  
48.5 bonus or promotion information, including how much is left on any pending bonus or  
48.6 promotion and how much has been released to the authorized participant;

48.7 (3) segregate authorized participant funds, including amounts in live fantasy contests  
48.8 that have not been paid out yet, from operational funds;

48.9 (4) prominently publish the rules governing each fantasy contest with an entry fee;

48.10 (5) develop and prominently publish procedures by which any person may file a complaint  
48.11 with the operator and the commissioner; and

48.12 (6) disclose the terms of all promotional offers at the time the offers are advertised and  
48.13 provide full disclosures of limitations on the offer before an authorized participant provides  
48.14 financial consideration in exchange for the offer.

48.15 Subd. 4. **Indian Tribe operators.** An Indian Tribe may act as a fantasy contest operator  
48.16 to offer for play fantasy contests and provide, create, or operate fantasy contest platforms,  
48.17 fantasy contest technology, fantasy contest applications, or associated fantasy contest  
48.18 hardware, software, or equipment. Pursuant to section 349C.041, an Indian Tribe may, but  
48.19 is not required to, contract with a fantasy contest operator. If an Indian Tribe does not  
48.20 contract with a fantasy contest operator, the Indian Tribe must comply with the reporting  
48.21 and regulatory requirements held by fantasy contest operator license holders imposed by  
48.22 this chapter.

48.23 Sec. 7. **[349C.06] WAGERING.**

48.24 Subdivision 1. **Placing wagers; entry fees.** An individual who is 21 years of age or  
48.25 older may place wagers pursuant to this chapter by submitting an entry fee to a fantasy  
48.26 contest operator to participate in a fantasy contest provided the individual is not otherwise  
48.27 disqualified, prohibited, or excluded from doing so. A fantasy contest operator may only  
48.28 accept wagers in a form and manner prescribed and approved by the commissioner. A  
48.29 fantasy contest operator may only accept wagers of a type previously approved by the  
48.30 commissioner.

48.31 Subd. 2. **Fantasy contest account.** (a) An individual may establish a fantasy contest  
48.32 account by electronic means from any location and may fund an account by any means  
48.33 approved by the commissioner.



49.1 (b) A fantasy contest operator must not accept a wager unless the authorized participant  
49.2 provides consideration in the form of money or another thing of value such as use of  
49.3 promotional credits from the authorized participant's fantasy contest account at the time of  
49.4 making the wager.

49.5 (c) Consideration must be in the form of withdrawal from a fantasy contest account  
49.6 maintained by the fantasy contest operator for the benefit of and in the name of the wagerer.

49.7 (d) A fantasy contest operator shall verify an individual's age and identity before allowing  
49.8 that individual to place a wager and may utilize an approved identity verification service  
49.9 provider to confirm an individual's age and identity.

49.10 (e) A fantasy contest operator must deposit any prize won by an authorized participant  
49.11 into the authorized participant's account within 72 hours of winning the prize.

49.12 (f) An authorized participant shall have the right to withdraw the balance of funds in the  
49.13 fantasy contest account in the authorized participant's name at any time with proof of identity,  
49.14 as determined by rules adopted pursuant to section 349C.02, within ten business days of  
49.15 the request being made. This period shall be extended if the fantasy contest operator believes  
49.16 in good faith that the authorized participant engaged in either fraudulent conduct or other  
49.17 conduct that would put the operator in violation of this chapter, in which case the fantasy  
49.18 contest operator may decline to honor the request for withdrawal for a reasonable  
49.19 investigatory period until the investigation is resolved if the fantasy contest operator provides  
49.20 notice of the nature of the investigation to the authorized participant. If the investigation  
49.21 exceeds 60 days, the fantasy contest operator shall notify the commissioner. For the purposes  
49.22 of this provision, a request for withdrawal will be considered honored if it is processed by  
49.23 the fantasy contest operator but delayed by a payment processor, a credit card issuer, or the  
49.24 custodian of a financial account.

49.25 Subd. 3. **Personal limits; account.** (a) A fantasy contest account must provide a  
49.26 mechanism for a person to set limits on the amount of time they spend on the fantasy contest  
49.27 platform, set limits on the amount of money they spend on the platform, and self-exclude  
49.28 from using the fantasy contest platform. A fantasy contest account provider must allow a  
49.29 person to set the following limits for the person's fantasy contest account:

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

49.31 (2) a limit on losses within a specified period; and

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

50.1 (b) The fantasy contest account must not allow the account to be used to place bets when  
50.2 the person has exceeded a limit the person has set. The fantasy contest account provider  
50.3 must provide notice to the person of the opportunity to set these limits at the time the person  
50.4 sets up the account and annually after setup and must require a person to either set limits  
50.5 or affirm that the person does not want to set any limits at account setup and annually after  
50.6 setup. The notice must be worded and formatted as specified by the commissioner.

50.7 Subd. 4. **Personal limits on wagering.** (a) A fantasy contest operator must allow a  
50.8 person to establish the following types of limits on their own wagering activity:

50.9 (1) a limit on the amount of money the person can lose in a 24-hour period before  
50.10 triggering a cooling-off period;

50.11 (2) a limit on the amount of money the person can lose in a 30-day period before  
50.12 triggering a cooling-off period;

50.13 (3) the maximum amount of money the person may deposit into the their fantasy contest  
50.14 account in a 24-hour period;

50.15 (4) the maximum amount of time the person can be logged into their fantasy contest  
50.16 program in a 24-hour period; and

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

50.18 (b) Pursuant to subdivision 6, a fantasy contest operator must set the limits in paragraph  
50.19 (a) to the following default limits for a new account, subject to any limits established by  
50.20 law:

50.21 (1) \$500 is the default amount of losses a person can incur in a 24-hour period before  
50.22 the person is prohibited from wagering;

50.23 (2) \$3,000 is the default limit on the amount of money a person can lose in a 30-day  
50.24 period before the person is prohibited from wagering;

50.25 (3) \$500 is the default maximum amount of money a person may deposit into the person's  
50.26 fantasy contest account in a 24-hour period; and

50.27 (4) 72 hours is the default length of a cooling-off period if a person requests a cooling-off  
50.28 period during which time wagers from the person cannot be accepted.

50.29 (c) A fantasy contest operator must not accept a wager from a person in a cooling-off  
50.30 period or in an exclusion period set by a person in paragraph (a) or, if the person does not  
50.31 set exclusion periods under paragraph (a), during the default exclusion periods established  
50.32 in paragraph (b).

51.1 (d) A fantasy contest operator must allow a person to make changes to their exclusion  
51.2 settings under paragraph (a) in ways that make them more restrictive at any time, and those  
51.3 limits must take effect immediately. Changes that make the exclusion settings under  
51.4 paragraph (a) less restrictive become effective seven days after the person makes the change.

51.5 (e) A fantasy contest operator must require a person to review the limits in paragraph  
51.6 (a) annually.

51.7 (f) A fantasy contest operator must report to the commissioner when a person becomes  
51.8 excluded due to hitting a limit set under paragraph (a) or (b). The commissioner must  
51.9 immediately communicate to other licensed fantasy contest operators as necessary to make  
51.10 the exclusion effective across all opportunities for participating in sports betting and fantasy  
51.11 contests in Minnesota.

51.12 Subd. 5. **Wager location.** Fantasy contest wagers may only be accepted from an  
51.13 authorized participant placing a wager online, through a website or mobile application,  
51.14 while the authorized participant is physically within the state. The incidental routing of a  
51.15 fantasy contest wager shall not determine the location or locations in which the wager is  
51.16 initiated, received, or otherwise made.

51.17 Subd. 6. **Wagers prohibited.** (a) A fantasy contest operator must not accept a wager on  
51.18 the outcome of an event or proposition that has already been determined.

51.19 (b) A fantasy contest operator must not offer or accept wagers on the occurrence or  
51.20 outcomes of the following situations that may occur during or after a sporting event:

51.21 (1) player injuries;

51.22 (2) penalties;

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

51.24 (4) replay reviews.

51.25 (c) Fantasy contest operators must not offer or accept wagers on propositional occurrences  
51.26 or proposition bets on college sports.

51.27 Subd. 7. **Receipt.** A fantasy contest operator must provide a person who places a wager  
51.28 with an electronic receipt at the time of sale that contains the following information:

51.29 (1) the proposition that is the subject of the wager;

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

51.31 (3) the amount wagered; and

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

52.2 Subd. 8. **Requests for restrictions on wager types.** (a) A sports governing body may  
52.3 request that the commissioner prohibit or restrict wagers on a particular sporting event, or  
52.4 prohibit or restrict particular types of wagers if the sports governing body believes that such  
52.5 type, form, or category of wagering may undermine the integrity or perceived integrity of  
52.6 the sports governing body or sporting event.

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

52.9 (c) Upon receipt of a request made under this subdivision, the commissioner shall send  
52.10 written notice to every fantasy contest operator, provide fantasy contest operators with an  
52.11 opportunity to respond to the request, and consider any timely response submitted by a  
52.12 fantasy contest operator. The commissioner may not take action without providing fantasy  
52.13 contest operators with an opportunity to respond, but may establish reasonable deadlines  
52.14 for the response based on the nature of the request and any exigent circumstances that exist.

52.15 (d) If the commissioner determines that the sports governing body has shown good cause  
52.16 to support the requested prohibition or restriction, the commissioner shall adopt the  
52.17 prohibition or restriction and send notice of the prohibition or restriction to every fantasy  
52.18 contest operator. If the commissioner determines that the sports governing body has not  
52.19 shown good cause to support the requested prohibition or restriction, the commissioner shall  
52.20 provide the sports governing body with notice and an opportunity for a hearing to offer  
52.21 further evidence in support of its request. The commissioner shall provide the fantasy contest  
52.22 operators with notice of the hearing and an opportunity to participate.

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

52.26 (f) If the commissioner determines that the requestor is more likely than not to prevail  
52.27 in successfully demonstrating good cause for its request, the commissioner may provisionally  
52.28 grant the request of the sports governing body until the commissioner makes a final  
52.29 determination as to whether the requestor has demonstrated good cause. Absent such a  
52.30 provisional grant, fantasy contest operators may continue to offer fantasy contests on covered  
52.31 sporting events that are the subject of the request during the pendency of the commissioner's  
52.32 consideration of the applicable request.

52.33 Subd. 9. **Wager data; safeguards necessary.** (a) Information regarding wagers made  
52.34 by an authorized participant who engages in fantasy contests, including but not limited to

53.1 wager type and consideration paid, may be accessed, stored, or used for ordinary business  
53.2 purposes by the fantasy contest operator.

53.3 (b) Fantasy contest operators must use commercially reasonable methods to maintain  
53.4 the security of wager data, authorized participant data, and other confidential information  
53.5 from unauthorized access and dissemination. Nothing in this chapter shall preclude the use  
53.6 of Internet or cloud-based hosting of such data and information or disclosure as required  
53.7 by court order, other law, or this chapter.

53.8 **Sec. 8. [349C.061] ADVERTISING.**

53.9 Subdivision 1. **Advertising content.** All advertisements for fantasy contests must display  
53.10 "1-800-GAMBLER" or other national toll-free numbers approved by the commissioner for  
53.11 information and referral services for compulsive and problem gambling and must provide  
53.12 a warning, as specified by the commissioner, that gambling may be addictive and may cause  
53.13 financial hardship.

53.14 Subd. 2. **Prohibition on targeting individuals under age 21.** No licensee or other  
53.15 person shall publish or cause to be published an advertisement for fantasy contests that:

53.16 (1) depicts a person under age 21 engaging in wagering on fantasy contests;

53.17 (2) includes an image that is designed to be appealing to individuals under age 21 or  
53.18 encourage participation in fantasy contests by individuals under age 21; or

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

53.22 Subd. 3. **Prohibition on targeting individuals prohibited from placing wagers.** No  
53.23 licensee or other person shall publish or cause to be published an advertisement for fantasy  
53.24 contest wagering that targets individuals who are disqualified, prohibited, or excluded from  
53.25 placing a wager on a sporting event or fantasy contest for any reason, including being  
53.26 identified on the exclusion list identified in section 299L.45, subdivision 1, or 349C.07.

53.27 Subd. 4. **Prohibition on advertising in certain locations.** No advertising, marketing,  
53.28 or other promotional materials may be published, aired, displayed, disseminated, or  
53.29 distributed by or on behalf of a fantasy contest operator for fantasy contests:

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

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

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

54.5 Subd. 5. **Prohibition on false or misleading claims.** No licensee or other person shall  
54.6 publish or cause to be published an advertisement for fantasy contests that contains false  
54.7 or misleading claims; statements, words, or pictures of an obscene, indecent, or immoral  
54.8 character; or such as would offend public morals or decency.

54.9 **Sec. 9. [349C.062] PROHIBITION ON PUSH NOTIFICATIONS.**

54.10 (a) Fantasy operators are prohibited from sending a message from a fantasy contest  
54.11 application or website that appears on a user's device while the application or website is  
54.12 inactive unless the message is sent to notify the user of potentially fraudulent activity  
54.13 associated with the user's fantasy contest account.

54.14 (b) Fantasy contest operators are prohibited from sending a message that advertises or  
54.15 promotes fantasy contests from a fantasy contest application or website to appear on a user's  
54.16 device while the user is setting self-imposed restrictions under section 299L.45.

54.17 **Sec. 10. [349C.07] EXCLUSION LIST AND PROHIBITION ON PARTICIPATION.**

54.18 Subdivision 1. **Exclusion list.** (a) The commissioner shall maintain a list of persons who  
54.19 are not eligible to wager on fantasy contests through a fantasy contest operator. The list  
54.20 shall include the names of:

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

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

54.24 (3) persons whose names have been submitted by fantasy contest operators for good  
54.25 cause; and

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

54.27 (b) A person who has requested to be on the exclusion list may specify a time limit of  
54.28 one, three, or five years or for a person's lifetime for the person's name to be on the list. The  
54.29 commissioner will remove the person's name from the list at the conclusion of the specified  
54.30 time. A person whose name was added to the exclusion list under paragraph (a), clauses (3)

55.1 and (4), may be removed from the list before the specified time by providing proof of  
55.2 completion of a program approved by the commissioner to address compulsive gambling.

55.3 (c) The information contained on the list described in paragraph (a) is private data on  
55.4 individuals, as defined in section 13.02, subdivision 12, except the commissioner is permitted  
55.5 to share the list with fantasy contest operators as needed to prevent persons on the exclusion  
55.6 list from participating in fantasy contests.

55.7 (d) A fantasy contest operator must provide a user the opportunity to request the person's  
55.8 name and exclusion request to the list maintained under this section.

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

55.11 Subd. 2. **Prohibited wagers by certain persons.** The following persons who are  
55.12 otherwise authorized to participate in fantasy contests are prohibited from placing the wagers  
55.13 described:

55.14 (1) a person who is prohibited from placing wagers by a fantasy contest operator for  
55.15 good cause, including but not limited to any person placing a wager as an agent or proxy  
55.16 on behalf of another, may not place a wager of any kind;

55.17 (2) a person who is an athlete, coach, referee, player, health care provider, or team  
55.18 employee is prohibited from wagering in a fantasy contest overseen by that person's sports  
55.19 governing body;

55.20 (3) a person who holds a position of authority sufficient to exert influence over the  
55.21 participants in a sporting event, including but not limited to a coach, manager, or owner, is  
55.22 prohibited from wagering in a fantasy contest overseen by that person's sports governing  
55.23 body; and

55.24 (4) a person who has access to certain types of exclusive or nonpublic information  
55.25 regarding a sporting event is prohibited from wagering in a fantasy contest overseen by the  
55.26 sports governing body of that sporting event.

55.27 Subd. 3. **Prohibition on accepting wagers.** (a) A fantasy contest operator shall not  
55.28 knowingly accept a wager from a person on the exclusion list or allow a person on the  
55.29 exclusion list to establish a fantasy contest account.

55.30 (b) A fantasy contest operator shall not knowingly accept a wager prohibited under  
55.31 subdivision 2 from any person who can reasonably be identified by publicly available  
55.32 information or by any lists provided to the commissioner.

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

56.3 Subd. 4. **Prohibition on advertising.** A fantasy contest operator is prohibited from  
56.4 contacting a person through communications in a fantasy contest application or via email,  
56.5 text, or telephone call for the purpose of advertising or promoting sports betting and fantasy  
56.6 contests during the following periods:

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

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

56.10 Sec. 11. [349C.08] **FINANCIAL RESPONSIBILITY.**

56.11 Subdivision 1. **Responsibility for satisfying winning wagers.** A wager in a fantasy  
56.12 contest placed with a fantasy contest operator is an enforceable contract. A fantasy contest  
56.13 operator who accepts a wager bears all risk of loss to satisfy winnings on the wager. A  
56.14 wager that is not redeemed within one year of the outcome that is the subject of the wager  
56.15 may be canceled by the fantasy contest operator.

56.16 Subd. 2. **Cash reserves.** (a) A fantasy contest operator shall maintain cash reserves in  
56.17 an amount that is not less than the greater of \$25,000 or the sum of the:

56.18 (1) amounts held by the fantasy contest operator for the fantasy contest accounts of  
56.19 authorized participants;

56.20 (2) amounts accepted by the fantasy contest operator as wagers on contingencies whose  
56.21 outcome have not been determined; and

56.22 (3) amounts owed but unpaid by the fantasy contest operator on winning wagers through  
56.23 the period established by the operator, subject to time limits set by the commissioner, for  
56.24 honoring winning wagers.

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

56.28 Subd. 3. **Bond.** A fantasy contest operator shall be required to post a bond, securities,  
56.29 or an irrevocable letter of credit in an amount the commissioner deems necessary after taking  
56.30 into consideration the amount of the fantasy contest operator's cash reserves to protect the  
56.31 financial interests of authorized participants participating in fantasy contests. If securities  
56.32 are deposited or an irrevocable letter of credit filed, the securities or letter of credit must be



57.1 of a type or in the form provided under section 349A.07, subdivision 5, paragraphs (b) and  
57.2 (c).

57.3 **Sec. 12. [349C.09] RECORD RETENTION; INFORMATION SHARING.**

57.4 Subdivision 1. **Record retention.** Fantasy contest operators shall maintain records of  
57.5 all wagers placed, including personally identifiable information of an authorized participant;  
57.6 the amount and type of wager; the time the wager was placed; the location of the wager,  
57.7 including IP address if applicable; the outcome of the wager; and records of abnormal betting  
57.8 activity for 3-1/2 years after the fantasy contest occurs. Fantasy contest operators shall make  
57.9 the data described in this subdivision available for inspection upon request of the  
57.10 commissioner or as required by court order.

57.11 Subd. 2. **Information sharing.** (a) If a sports governing body has notified the  
57.12 commissioner that access to the information described in subdivision 1 for wagers placed  
57.13 on fantasy contests of the sports governing body is necessary to conduct an investigation  
57.14 related to the integrity of one or more of such body's sporting events, the commissioner  
57.15 may share with the sports governing body or its designees the information under subdivision  
57.16 1 with respect to wagers on fantasy contests of the sports governing body.

57.17 (b) Sports governing bodies and their designees may only use information received under  
57.18 this subdivision for integrity-related purposes and may not use information received under  
57.19 this subdivision for any commercial or other purposes.

57.20 **Sec. 13. [349C.10] LICENSE VIOLATIONS; ENFORCEMENT.**

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

57.25 Subd. 2. **Authority to act.** The commissioner may issue administrative orders, impose  
57.26 civil penalties, and suspend, revoke, or not renew a license issued pursuant to this chapter  
57.27 if the commissioner determines that a licensee has committed or is about to commit a  
57.28 violation of this chapter or rules adopted pursuant to this chapter or if the commissioner  
57.29 determines that the licensee is disqualified or ineligible to hold a license pursuant to sections  
57.30 349C.04 and 349C.05.

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

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

58.6 (2) the licensee has not timely filed a tax return or paid the tax required under chapter  
58.7 297K; or

58.8 (3) the licensee has not timely paid all license fees or penalties due under this chapter.

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

58.11 (c) The commissioner may extend the period of suspension if the violation is not  
58.12 corrected, the commissioner notifies the licensee that the commissioner intends to revoke  
58.13 or not renew a license, and a contested case hearing has not taken place.

58.14 Subd. 4. **Notice of violation; administrative orders; request for reconsideration;**

58.15 **demand for hearing.** (a) The commissioner may issue an administrative order to any  
58.16 licensee who has committed a violation. The order may require the licensee to correct the  
58.17 violation or to cease and desist from committing the violation and may impose civil penalties.  
58.18 The order must state the deficiencies that constitute a violation, the time by which the  
58.19 violation must be corrected, and the amount of any civil penalty.

58.20 (b) If the licensee believes the information in the administrative order is in error, the  
58.21 licensee may ask the commissioner to reconsider any parts of the order that are alleged to  
58.22 be in error. The request must be in writing, be delivered to the commissioner by certified  
58.23 mail within seven days after receipt of the order, and provide documentation to support the  
58.24 allegation of error. The commissioner must respond to a request for reconsideration within  
58.25 15 days after receiving the request. A request for reconsideration does not stay the order  
58.26 unless the commissioner issues a supplemental order granting additional time. The  
58.27 commissioner's disposition of a request for reconsideration is final.

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

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

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

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

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

59.17 **Sec. 14. [349C.11] DATA PROTECTIONS.**

59.18 Data in which an individual who has wagered on a fantasy contest is identified by name,  
 59.19 account number, Social Security number, or any other uniquely identifying indicia are  
 59.20 private data on individuals, as defined in section 13.02, subdivision 12. Data on individual  
 59.21 earnings of fantasy contest operator application and licensing information are nonpublic  
 59.22 data, as defined in section 13.02, subdivision 9.

59.23 **Sec. 15. EFFECTIVE DATE.**

59.24 Except as otherwise provided, this article is effective July 1, 2025.

59.25 **ARTICLE 4**  
 59.26 **TAXATION OF FANTASY CONTESTS**

59.27 **Section 1. [297K.01] DEFINITIONS.**

59.28 Subdivision 1. **Terms.** For the purposes of this chapter, the following terms have the  
 59.29 meanings given.

59.30 Subd. 2. **Adjusted gross fantasy contest receipts.** "Adjusted gross fantasy contest  
 59.31 receipts" means the amount equal to the total of all entry fees that a fantasy contest operator

60.1 receives from all participants minus the total of cash prizes and the fair market value of  
60.2 noncash prizes paid as winnings to all participants multiplied by the location percentage  
60.3 for this state.

60.4 Subd. 3. **Cash equivalent.** "Cash equivalent" means the cash value of any free bets,  
60.5 promotional credits, and any other noncash form of consideration, payment, or compensation.

60.6 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of revenue.

60.7 Subd. 5. **Entry fee.** "Entry fee" means cash or a cash equivalent that is required to be  
60.8 paid by an authorized participant and set in advance by a fantasy contest operator to  
60.9 participate in a fantasy contest.

60.10 Subd. 6. **Fantasy contest.** "Fantasy contest" has the meaning given in section 349C.01,  
60.11 subdivision 9.

60.12 Subd. 7. **Fantasy contest operator.** "Fantasy contest operator" has the meaning given  
60.13 in section 349C.01, subdivision 11. For the purposes of this chapter, an Indian Tribe is  
60.14 considered to be a fantasy contest operator if the Indian Tribe does not contract with a  
60.15 fantasy contest operator to operate fantasy contests.

60.16 Subd. 8. **Indian Tribe.** "Indian Tribe" has the meaning given in section 349C.01,  
60.17 subdivision 12.

60.18 Subd. 9. **Location percentage.** "Location percentage" means the percentage rounded  
60.19 to the nearest tenth of one percent of the total entry fees received from authorized participants  
60.20 located in this state divided by the total entry fees received from all players in the fantasy  
60.21 contest activity.

60.22 Subd. 10. **Wager.** "Wager" means a transaction between an authorized participant and  
60.23 a licensed fantasy contest operator in which an authorized participant pays, deposits, or  
60.24 risks cash or a cash equivalent as an entry fee into a fantasy contest.

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

60.26 Sec. 2. **[297K.02] TAX ON FANTASY CONTEST NET REVENUE.**

60.27 Subdivision 1. **Tax imposed.** A tax is imposed on fantasy contest operators equal to 15  
60.28 percent of adjusted gross fantasy receipts.

60.29 Subd. 2. **Fantasy contest net revenue tax in lieu of other taxes.** Income derived by a  
60.30 fantasy contest operator from the conduct of wagering on a fantasy contest is not subject to  
60.31 the tax imposed under chapter 290. Wagers accepted by a fantasy contest operator are not  
60.32 subject to the tax imposed in section 297A.62 or 297E.03.

61.1 Subd. 3. **Returns; due dates.** A fantasy contest operator must file a return by the 20th  
61.2 day of each month reporting the tax due under this section for the preceding month. The  
61.3 return must include the amount of all wagers received, payouts made, fantasy contest taxes  
61.4 owed, and other information required by the commissioner. The tax under this chapter is  
61.5 due to be paid to the commissioner on the day the return is due.

61.6 Subd. 4. **Deposit of revenue.** The commissioner must deposit the revenues, including  
61.7 penalties and interest, derived from the tax imposed by this section into the sports betting  
61.8 revenue account. After deducting any amounts necessary to pay the refunds, the money  
61.9 shall be distributed as follows:

61.10 (1) 45 percent must be appropriated to the commissioner of revenue for the purposes of  
61.11 making payments under section 297E.02, subdivision 12;

61.12 (2) 15 percent must be transferred to the racing economic development account to be  
61.13 distributed in accordance with section 240.1563;

61.14 (3) 15 percent must be transferred to the sports betting equalization account to be  
61.15 distributed in accordance with section 299L.755;

61.16 (4) ten percent must be transferred to the sports marketing and awareness account to be  
61.17 distributed in accordance with section 116U.60;

61.18 (5) ten percent must be appropriated to the commissioner of human services to be  
61.19 distributed in accordance with section 245.983; and

61.20 (6) five percent must be transferred to the amateur sports integrity and participation  
61.21 account to be distributed in accordance with section 240A.15.

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

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

61.28 Sec. 3. **[297K.03] FANTASY CONTEST OPERATOR REPORTS AND RECORDS.**

61.29 Subdivision 1. **Business records.** A fantasy contest operator must maintain records  
61.30 supporting the fantasy contest activity and taxes owed. Records required to be kept in this  
61.31 section must be preserved by the fantasy contest operator for at least 3-1/2 years after the

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

62.3 Subd. 2. **Audits.** The commissioner may require a financial audit of a fantasy contest  
 62.4 operator's fantasy contest activities if the operator has failed to comply with this chapter,  
 62.5 including failure to timely file returns or pay tax, or take corrective actions required by the  
 62.6 commissioner. Audits must be performed by an independent accountant licensed according  
 62.7 to chapter 326A. The commissioner must prescribe standards for an audit required under  
 62.8 this subdivision. A complete, true, and correct copy of an audit must be filed as prescribed  
 62.9 by the commissioner. Nothing in this subdivision limits the commissioner's ability to conduct  
 62.10 its own audit pursuant to its authority under chapter 270C.

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

62.12 Sec. 4. **[297K.04] OTHER PROVISIONS APPLY.**

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

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

## 62.17 **ARTICLE 5**

### 62.18 **CRIMES RELATED TO SPORTS BETTING**

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

62.20 Subd. 16. **Juvenile petty offender; juvenile petty offense.** (a) "Juvenile petty offense"  
 62.21 includes a juvenile alcohol offense;<sup>2</sup> a juvenile controlled substance offense;<sup>2</sup> a juvenile  
 62.22 violation of section 299L.80, subdivision 3, paragraph (a); a violation of section 609.685;<sup>2</sup>  
 62.23 or a violation of a local ordinance, which by its terms prohibits conduct by a child under  
 62.24 the age of 18 years which would be lawful conduct if committed by an adult.

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

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

62.28 (1) a misdemeanor-level violation of section 518B.01, 588.20, 609.224, 609.2242,  
 62.29 609.324, subdivision 2 or 3, 609.5632, 609.576, 609.66, 609.746, 609.748, 609.79, or  
 62.30 617.23;

63.1 (2) a major traffic offense or an adult court traffic offense, as described in section  
63.2 260B.225;

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

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

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

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

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

63.21 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have  
63.22 the meanings given.

63.23 (b) "Accepts a wager" includes receiving, recording, or forwarding a wager or an offer  
63.24 to wager on a sporting event, and attempts to do so.

63.25 (c) "Nonpublic information" means information regarding a participant's ability or  
63.26 likelihood to perform in a sporting event that:

63.27 (1) is not available to the general public;

63.28 (2) is derived from a personal or professional relationship with the participant; and

63.29 (3) if the information was disseminated, would likely affect the odds of the participant  
63.30 or the participant's team in achieving a particular outcome in the event.

63.31 (d) "Places a wager" includes an offer or attempt to place a wager on a sporting event.

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

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

64.8 (1) the commissioner, the director, or the commissioner of revenue;

64.9 (2) a sports governing body pursuant to section 299L.53, subdivision 3, paragraph (a);  
64.10 and

64.11 (3) the University of Minnesota pursuant to section 299L.53, subdivision 3, paragraph  
64.12 (c).

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

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

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

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

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

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

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

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



65.1 (3) an employee of the division of alcohol and gambling enforcement as defined under  
65.2 chapter 299L; or

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

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

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

65.8 (1) the person has previously been convicted of a violation of this section or section  
65.9 609.76; or

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

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

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

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

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

65.20 **Subd. 5. Unauthorized acceptance of wagers.** (a) A person licensed under sections  
65.21 299L.10 to 299L.80, or an employee of a licensee whose exclusive or primary responsibilities  
65.22 involve mobile sports betting, who accepts a wager on a sporting event knowing that the  
65.23 wager was made in violation of subdivision 4, paragraph (a) is guilty of a crime and may  
65.24 be sentenced as provided in paragraphs (b) to (e).

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

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

65.28 (1) the person has previously been convicted of a violation of this section or section  
65.29 609.76; or

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

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

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

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

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

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

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

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

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

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

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

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

66.26 (3) a valid United States passport;

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

66.29 (5) a Tribal identification;

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

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

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

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

67.15 Subd. 8. Advertising and promotion to person under self-imposed restrictions. A  
 67.16 person licensed under sections 299L.10 to 299L.80 or chapter 349C, or an employee of a  
 67.17 licensee whose exclusive or primary responsibilities involve mobile sports betting, is guilty  
 67.18 of a gross misdemeanor if the person markets sports betting to another person through a  
 67.19 text, a message within a mobile sports betting application, or other direct message to that  
 67.20 person during a time that the other person has implemented self-imposed prohibitions on  
 67.21 that person participating in sports betting under section 299L.45 or fantasy contests under  
 67.22 section 349C.07.

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

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

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

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

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

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

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

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

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

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

68.9 (9) fantasy contests when the betting is conducted pursuant to chapter 349C; and

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

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

68.12 Subd. 4. **Gambling device.** A gambling device is a contrivance the purpose of which is  
68.13 that for a consideration a player is afforded an opportunity to obtain something of value,  
68.14 other than free plays, automatically from the machine or otherwise, the award of which is  
68.15 determined principally by chance, whether or not the contrivance is actually played.

68.16 "Gambling device" also includes a video game of chance, as defined in subdivision 8.

68.17 Gambling device does not include a website or mobile application, or device used for  
68.18 accessing the website or mobile application, authorized to be used in conducting mobile  
68.19 sports betting pursuant to sections 299L.10 to 299L.80 or fantasy contests pursuant to chapter  
68.20 349C.

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

68.22 Subd. 7. **Sports bookmaking.** Sports bookmaking is the activity of intentionally  
68.23 receiving, recording or forwarding within any 30-day period more than five bets, or offers  
68.24 to bet, that total more than \$2,500 on any one or more sporting events. Sports bookmaking  
68.25 does not include sports betting when the betting is conducted pursuant to sections 299L.10  
68.26 to 299L.80 or fantasy contests when betting is conducted pursuant to chapter 349C.

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

68.29 Subd. 7a. **Sporting event.** "Sporting event" has the meaning given in section 299L.10,  
68.30 subdivision 20, and includes any event such as a game, match, contest, or activity; series  
68.31 of games, matches, contests, or activities; or a tournament involving the athletic skill or

69.1 performance in a video game of one or more players or participants, regardless of whether  
69.2 the event is approved by the commissioner to be an event eligible for wagering under sections  
69.3 299L.10 to 299L.80.

69.4 Sec. 7. Minnesota Statutes 2024, section 609.75, is amended by adding a subdivision to  
69.5 read:

69.6 Subd. 7b. **Fantasy contest.** "Fantasy contest" has the meaning given in section 349C.01,  
69.7 subdivision 9.

69.8 Sec. 8. Minnesota Statutes 2024, section 609.755, is amended to read:

69.9 **609.755 GAMBLING; MISDEMEANOR.**

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

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

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

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

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

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

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

69.21 Sec. 9. Minnesota Statutes 2024, section 609.76, subdivision 2, is amended to read:

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

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

69.27 (1) the person has previously been convicted of a violation of this section or section  
69.28 299L.80; or

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

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

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

70.5 (e) In any prosecution under paragraph (b) or (c), the amount of money wagered within  
70.6 any six-month period may be aggregated and the accused charged accordingly in applying  
70.7 the provisions of those paragraphs. In addition, when two or more offenses are committed  
70.8 by the same person in two or more counties, the accused may be prosecuted in any county  
70.9 in which one of the offenses was committed for all of the offenses aggregated under this  
70.10 subdivision.

70.11 **Sec. 10. [609.764] SPORTING EVENTS; FRAUD; BRIBERY.**

70.12 (a) As used in this section:

70.13 (1) "participant in a sporting event" has the meaning given in section 299L.10, subdivision  
70.14 18; and

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

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

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

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

70.27 **Sec. 11. EFFECTIVE DATE.**

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

71.1 **ARTICLE 6**

71.2 **SPORTS AND ACTIVITIES GRANTS**

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

71.5 Subdivision 1. **Account established; appropriation.** (a) The sports marketing and  
 71.6 awareness account is established in the special revenue fund. The account shall consist of  
 71.7 the amount deposited pursuant to sections 297J.02 and 297K.02.

71.8 (b) The amount necessary to make grants under subdivision 2 is appropriated to Explore  
 71.9 Minnesota Tourism. Explore Minnesota Tourism may retain four percent of the total  
 71.10 appropriation to administer grants.

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

71.14 Subd. 2. **Grants to promote tourism, sports, and events.** (a) Explore Minnesota  
 71.15 Tourism must make grants as allowed under section 116U.30, paragraph (b), clause (5), to:

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

71.17 (2) coordinate statewide initiatives, including greater Minnesota youth legacy programs  
 71.18 and a statewide marketing campaign, and increase access and awareness for greater  
 71.19 Minnesota residents.

71.20 (b) To the extent feasible, grant money must also be used to conduct one signature event  
 71.21 in greater Minnesota on an annual basis.

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

71.24 Subd. 3. **Annual report.** By January 15 of each year, Explore Minnesota Tourism must  
 71.25 submit a report to the chairs and ranking minority members of the legislative committees  
 71.26 with jurisdiction over public safety, the legislative committees with jurisdiction over taxes,  
 71.27 the committee in the house of representatives with jurisdiction over commerce, the committee  
 71.28 in the senate with jurisdiction over state government finance and policy, the committee in  
 71.29 the house of representatives with jurisdiction over ways and means, and the committee in  
 71.30 the senate with jurisdiction over finance. The report must identify the grants issued under  
 71.31 this section since the previous report, including the individual or organization that received  
 71.32 the grant, the amount awarded, and the purpose of the grant. The report must also compile  
 71.33 and provide the annual reports received from grantees.

72.1      Sec. 2. **[240A.15] GRANTS FOR PROMOTING INTEGRITY AND**  
 72.2      **PARTICIPATION.**

72.3           Subdivision 1. **Account established; appropriation.** (a) The amateur sports integrity  
 72.4      and participation account is established in the special revenue fund. The account shall consist  
 72.5      of the amounts deposited pursuant to sections 297J.02 and 297K.02.

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

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

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

72.18          (b) Grant recipients may use money to:

72.19           (1) provide comprehensive gambling and athlete protection education and programming  
 72.20     related to disordered gambling to athletes and others directly involved with amateur athletic  
 72.21     organizations;

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

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

72.25           (4) provide problem gambling prevention education;

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

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

72.31          (c) By September 1 of each year, individuals or organizations that received a grant in  
 72.32     the previous fiscal year shall provide a report in a form and manner established by the



73.1 Minnesota Amateur Sports Commission describing how grant money was used and providing  
73.2 any additional information required by the Minnesota Amateur Sports Commission.

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

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

73.13 (c) Grant recipients may use money to:

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

73.15 (2) improve facilities for youth sports;

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

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

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

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

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

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

74.6 (c) Grant recipients may use money to:

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

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

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

74.12 or

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

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

74.19 Subd. 5. **Annual report.** By January 15 of each year, the Minnesota Amateur Sports  
74.20 Commission and Minnesota State High School League must submit a report to the chairs  
74.21 and ranking minority members of the legislative committees with jurisdiction over public  
74.22 safety, the legislative committees with jurisdiction over taxes, the committee in the house  
74.23 of representatives with jurisdiction over commerce, the committee in the senate with  
74.24 jurisdiction over state government finance and policy, the committee in the house of  
74.25 representatives with jurisdiction over ways and means, and the committee in the senate with  
74.26 jurisdiction over finance. The report must identify the grants issued under this section since  
74.27 the previous report, including the individual or organization that received the grant, the  
74.28 amount awarded, and the purpose of the grant. The report must also compile and provide  
74.29 the annual reports received from grantees.

74.30 Sec. 3. **EFFECTIVE DATE.**

74.31 This article is effective the day following final enactment.

## ARTICLE 7

## CHARITABLE GAMBLING

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

Subd. 12. Tax relief payments. (a) By October 1 of each year, the commissioner shall remit payments, as required under section 297J.02, to each organization licensed to conduct lawful gambling under chapter 349 on a pro rata basis according to the organization's combined net receipts, as defined under this section, for the 12-month period ending June 30 of the prior calendar year, and the total combined net receipts from all organizations licensed under chapter 349 for the 12-month period ending June 30 of the prior calendar year.

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

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

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

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

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

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

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

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

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

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

76.6 (6) activities by an organization or a government entity which recognize military service  
76.7 to the United States, the state of Minnesota, or a community, subject to rules of the board,  
76.8 provided that the rules must not include mileage reimbursements in the computation of the  
76.9 per diem reimbursement limit and must impose no aggregate annual limit on the amount of  
76.10 reasonable and necessary expenditures made to support:

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

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

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

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

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

76.23 (8) payment of local taxes authorized under this chapter, including local gambling taxes  
76.24 authorized under section 349.213, subdivision 3, taxes imposed by the United States on  
76.25 receipts from lawful gambling, the taxes imposed by section 297E.02, subdivisions 1 and  
76.26 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;

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

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

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

77.4 (12) an expenditure for citizen monitoring of surface water quality by individuals or  
77.5 nongovernmental organizations that is consistent with section 115.06, subdivision 4, and  
77.6 Minnesota Pollution Control Agency guidance on monitoring procedures, quality assurance  
77.7 protocols, and data management, provided that the resulting data is submitted to the  
77.8 Minnesota Pollution Control Agency for review and inclusion in the state water quality  
77.9 database;

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

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

77.13 (ii) grant-in-aid trail maintenance and grooming established under sections 84.83 and  
77.14 84.927, and other trails open to public use, including purchase or lease of equipment for  
77.15 this purpose; and

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

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

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

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

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

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

77.30 (17) expenditure by a licensed veterans organization of up to \$5,000 in a calendar year  
77.31 in net costs to the organization for meals and other membership events, limited to members  
77.32 and spouses, held in recognition of military service. No more than \$5,000 can be expended

78.1 in total per calendar year under this clause by all licensed veterans organizations sharing  
78.2 the same veterans post home;

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

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

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

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

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

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

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

78.30 (iii) An organization may apply the amount that is allowed under item (ii) to the erection  
78.31 or acquisition of a replacement building that is in compliance with the Americans with  
78.32 Disabilities Act if the board has specifically approved the amount. The cost of the erection

79.1 or acquisition of a replacement building may not be made from gambling proceeds, except  
79.2 for the portion allowed under this item;

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

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

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

79.17 (26) a contribution to a 501(c)(19) organization that does not have an organization license  
79.18 under section 349.16 and is not affiliated with the contributing organization, and whose  
79.19 owned or leased property is not a permitted premises under section 349.165. The 501(c)(19)  
79.20 organization may only use the contribution for lawful purposes under this subdivision or  
79.21 for the organization's primary mission. The 501(c)(19) organization may not use the  
79.22 contribution for expansion of a building or for bar-related expenditures. A contribution may  
79.23 not be made to a statewide organization representing a consortia of 501(c)(19) organizations;  
79.24 or

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

79.29 (A) American Legion;

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

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

79.32 (D) Military Order of the Purple Heart;

79.33 (E) AMVETS;

80.1 (F) Marine Corps League;

80.2 (G) Paralyzed Veterans of America; or

80.3 (H) Disabled American Veterans;

80.4 (ii) the expenditure is limited to 50 percent of gross profits from the previous fiscal year.

80.5 The fiscal year is July 1 through June 30. Any unused allowances may carry forward pursuant

80.6 to the requirements in item (iii);

80.7 (iii) for qualifying organizations whose gross receipts exceed \$400,000 per year, the

80.8 organization may carry forward unused allowances for up to two years. For qualifying

80.9 organizations whose gross receipts do not exceed \$400,000 per year, the organization may

80.10 carry forward unused allowances for up to three years. Any organization carrying forward

80.11 funds must identify the planned project for which the funds will be used prior to carrying

80.12 forward the unused allowances; and

80.13 (iv) total expenditures for the fiscal year may not exceed the limit imposed under item

80.14 (ii) unless the board has specifically approved the expenditures that exceed the limit due to

80.15 extenuating circumstances beyond the organization's control. An expansion of a building

80.16 or any capital improvements within the building regardless of use of the improvement are

80.17 allowed under this provision. This provision applies only to capital improvements to the

80.18 existing building square footage and does not apply to the new construction of a new or

80.19 replacement building.

80.20 (b) Expenditures authorized by the board under paragraph (a), clauses (24) and (25),

80.21 must be 51 percent completed within two years of the date of board approval; otherwise the

80.22 organization must reapply to the board for approval of the project. "Fifty-one percent

80.23 completed" means that the work completed must represent at least 51 percent of the value

80.24 of the project as documented by the contractor or vendor.

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

80.26 (1) any expenditure made or incurred for the purpose of influencing the nomination or

80.27 election of a candidate for public office or for the purpose of promoting or defeating a ballot

80.28 question;

80.29 (2) any activity intended to influence an election or a governmental decision-making

80.30 process;

80.31 (3) a contribution to a statutory or home rule charter city, county, or town by a licensed

80.32 organization with the knowledge that the governmental unit intends to use the contribution

80.33 for a pension or retirement fund; or



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

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

81.4 **ARTICLE 8**

81.5 **PARI-MUTUEL HORSE RACING**

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

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

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

81.11 Subdivision 1. **Account established; use of funds.** (a) The racing economic development  
81.12 account is established in the special revenue fund. The account shall consist of any amounts  
81.13 deposited pursuant to sections 297J.02 and 297K.02. The amounts deposited into the account  
81.14 are appropriated to the commissioner of agriculture to make distributions under this  
81.15 subdivision. The amount available for distribution is the amount available as of June 30 of  
81.16 the distribution year. The commissioner must provide money annually as follows:

81.17 (1) the first \$12,500,000 must be distributed as follows:

81.18 (i) 40 percent to a licensed racetrack licensed under chapter 240 that primarily conducts  
81.19 standardbred horse racing; and

81.20 (ii) 60 percent to a licensed racetrack licensed under chapter 240 that primarily conducts  
81.21 thoroughbred and quarter horse racing; and

81.22 (2) any amounts exceeding \$12,500,000 must be distributed as follows:

81.23 (i) 28 percent to a licensed racetrack licensed under chapter 240 that primarily conducts  
81.24 standardbred horse racing; and

81.25 (ii) 72 percent to a licensed racetrack licensed under chapter 240 that primarily conducts  
81.26 thoroughbred and quarter horse racing.

81.27 (b) Money distributed under paragraph (a) must be used for only the following purposes:

81.28 (1) 50 percent must be used for purse accounts for thoroughbred, standardbred, quarter  
81.29 horse, and Arabian horses; and

81.30 (2) 50 percent may be used for the following purposes:

82.1 (i) to pay dues and other fees to the Horseracing Integrity and Safety Authority to remain  
82.2 compliant with the Horseracing Integrity and Safety Act imposed under United States Code,  
82.3 title 15, sections 3051 to 3060;

82.4 (ii) to pay breeders' awards for Minnesota-bred thoroughbred, standardbred, quarter  
82.5 horse, and Arabian horses, provided that such awards are permitted under section 240.18;

82.6 (iii) to pay reimbursements to the Minnesota Racing Commission for the cost of providing  
82.7 state stewards and veterinary expenses;

82.8 (iv) to pay for infrastructure projects or capital expenditures that are directly tied to  
82.9 improving facilities in which horses race, practice, are treated, or are housed;

82.10 (v) to assist in the transition of Minnesota-bred horses into retirement;

82.11 (vi) to fund research projects conducted by persons affiliated with a university or  
82.12 governmental research agency or institution related to equine illness and disease,  
82.13 performance-related accidents and injuries, and improvements of breeding techniques;

82.14 (vii) to fund health programs for jockeys, stewards, drivers, trainers, and backstretch  
82.15 employees who have direct involvement with the care and preparation of racing horses;

82.16 (viii) to pay for labor only for those employees who have direct involvement with the  
82.17 care and preparation of racing horses; and

82.18 (ix) to be used for horse racing-related expenses limited to track and backside labor  
82.19 costs, racing contracts, simulcast fees, backside and track utilities, water, and fuel and  
82.20 regulatory costs relating to horse racing, horseman bookkeeping, racing and backside rental  
82.21 equipment, repairs and maintenance of track and backside, and racing and backside supplies.

82.22 (c) Money distributed under paragraphs (a) and (b) must not be used:

82.23 (1) to fund lobbying, litigation, or advertisements; or

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

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

82.29 Subd. 2. **Reports required.** (a) By January 15 of each year, each racetrack that receives  
82.30 a distribution under this section must submit a report to the commissioner of agriculture  
82.31 that includes the amount of money that was spent in each category in subdivision 1,  
82.32 paragraphs (a) and (b), and documentation sufficient to establish that the money was spent

83.1 on or encumbered for eligible uses. The commissioner may request financial statements or  
 83.2 other information necessary to verify that money was spent on eligible uses.

83.3 (b) By February 1 of every odd-numbered year, the commissioner of agriculture must  
 83.4 submit a report to the chairs and ranking minority members of the legislative committees  
 83.5 with jurisdiction over pari-mutuel horse racing and sports wagering authorized in chapter  
 83.6 299L, detailing expenditures made by racetracks under subdivision 1, paragraph (a).

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

## 83.8 **ARTICLE 9**

### 83.9 **APPROPRIATIONS; MISCELLANEOUS**

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

83.11 Subd. 2. **Program.** The commissioner of human services shall establish a program for  
 83.12 the treatment of compulsive gamblers and their families. The commissioner may contract  
 83.13 with an entity with expertise regarding the treatment of compulsive gambling to operate the  
 83.14 program. The program may include the establishment of a statewide toll-free number,  
 83.15 resource library, public education programs; regional in-service training programs and  
 83.16 conferences for health care professionals, educators, treatment providers, employee assistance  
 83.17 programs, and criminal justice representatives; and the establishment of certification standards  
 83.18 for programs and service providers. The program must include culturally competent outreach,  
 83.19 education, and service models that are informed by the lived experiences of communities  
 83.20 disproportionately affected by problem gambling. The commissioner may enter into  
 83.21 agreements with other entities and may employ or contract with consultants to facilitate the  
 83.22 provision of these services or the training of individuals to qualify them to provide these  
 83.23 services. The program must include up to 60 hours of intervention services for a family  
 83.24 member or concerned significant other who is a Minnesota resident and is negatively  
 83.25 impacted by problem or compulsive gambling. The program may also include inpatient and  
 83.26 outpatient treatment and rehabilitation services for residents in different settings, including  
 83.27 a temporary or permanent residential setting for mental health or substance use disorder,  
 83.28 and individuals in jails or correctional facilities. The program may also include research  
 83.29 studies. The research studies must include baseline and prevalence studies for adolescents  
 83.30 and adults to identify those at the highest risk. The program must be approved by the  
 83.31 commissioner before it is established.

84.1 **Sec. 2. [245.983] COMPULSIVE AND PROBLEM GAMBLING SUPPORT.**

84.2 (a) The commissioner of human services must distribute the money appropriated pursuant  
84.3 to sections 297J.02 and 297K.02 as follows:

84.4 (1) one-third is for the compulsive gambling treatment program established under section  
84.5 245.98 which must also be available for up to 60 hours of intervention services for a family  
84.6 member or concerned significant other who is a Minnesota resident and is negatively  
84.7 impacted by problem or compulsive gambling;

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

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

84.13 (b) Money appropriated by this subdivision must supplement and must not replace  
84.14 existing state funding for these programs. Money appropriated from the sports betting  
84.15 revenue account under this subdivision is available until expended.

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

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

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

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

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

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

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

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

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

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

85.1 (iv) the organizer or promoter must ensure that reasonable accommodations are made  
85.2 for players with disabilities. Accommodations to the table and the cards shall include the  
85.3 announcement of the cards visible to the entire table and the use of Braille cards for players  
85.4 who are blind.

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

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

85.7 \$8,316,000 in fiscal year 2025 is appropriated from the general fund to the commissioner  
85.8 of public safety to perform the duties required to establish and regulate mobile sports betting  
85.9 under Minnesota Statutes, sections 299L.10 to 299L.80, and fantasy contests under Minnesota  
85.10 Statutes, chapter 349C. The base for this appropriation is \$5,486,000 in fiscal year 2026  
85.11 and \$5,466,000 in fiscal year 2027 and each fiscal year thereafter.

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

85.13 \$10,000 in fiscal year 2025 is appropriated from the general fund to the commissioner  
85.14 of revenue to perform the duties necessary to establish and enforce the taxation of mobile  
85.15 sports betting and fantasy contests under Minnesota Statutes, chapters 297J and 297K. The  
85.16 base for this appropriation is \$2,023,000 in fiscal year 2026 and \$1,740,000 in fiscal year  
85.17 2027 and each fiscal year thereafter.

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

85.19 The base appropriation is \$216,000 in fiscal year 2026 and \$422,000 in fiscal year 2027  
85.20 and each fiscal year thereafter to the commissioner of human services to administer the  
85.21 money appropriated under Minnesota Statutes, section 297J.02.

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

85.23 \$702,000 in fiscal year 2025 is appropriated from the general fund to the Office of the  
85.24 Attorney General to perform the duties required to support state agencies regarding the  
85.25 regulation of mobile sports betting under Minnesota Statutes, sections 299L.10 to 299L.80,  
85.26 and fantasy contests under Minnesota Statutes, chapter 349C. This is an ongoing  
85.27 appropriation.

86.1 **Sec. 8. STUDY ON MOTIVATIONS AND BELIEFS OF YOUNG ADULT**  
86.2 **GAMBLERS; APPROPRIATION.**

86.3 Subdivision 1. **Appropriation.** \$150,000 in fiscal year 2025 is appropriated from the  
86.4 general fund to the commissioner of public safety for a grant to a nonprofit organization to  
86.5 conduct a study on the gambling motivations and beliefs of young adult gamblers. The  
86.6 commissioner may not use any amount of this appropriation to administer the grant. This  
86.7 is a onetime appropriation.

86.8 Subd. 2. **Award.** The commissioner shall award the grant to a nonprofit, gambling-neutral  
86.9 organization with experience raising public awareness about problem gambling and providing  
86.10 professional training for those who work with problem gamblers.

86.11 Subd. 3. **Focus group.** (a) The grant recipient shall convene a focus group of 40  
86.12 individuals who are at least 18 years of age but not more than 35 years of age and who have  
86.13 experience gambling in Minnesota.

86.14 (b) Membership of the focus group shall reflect the geographical and demographic  
86.15 diversity of Minnesotans who are 18 to 35 years of age.

86.16 (c) The focus group shall identify the reasons that young adults gamble and the ways in  
86.17 which they engage in gambling, including whether they wager on sporting events; participate  
86.18 in fantasy sports; purchase lottery tickets; visit casinos; engage in online gambling; participate  
86.19 in card playing as defined in Minnesota Statutes, section 240.01, subdivision 5; engage in  
86.20 pari-mutuel betting as defined in Minnesota Statutes, section 240.01, subdivision 14; or  
86.21 participate in lawful gambling authorized under Minnesota Statutes, chapter 349.

86.22 Subd. 4. **Qualitative survey.** Following completion of the focus group described in  
86.23 subdivision 3, the grant recipient shall create a qualitative survey and obtain responses from  
86.24 a sample of at least 50,000 individuals.

86.25 Subd. 5. **Report.** By January 15, 2026, the grant recipient shall submit a report to the  
86.26 chairs and ranking minority members of the legislative committees with jurisdiction over  
86.27 public safety, the legislative committees with jurisdiction over taxes, the committee in the  
86.28 house of representatives with jurisdiction over commerce, the committee in the senate with  
86.29 jurisdiction over state government finance and policy, the committee in the house of  
86.30 representatives with jurisdiction over ways and means, and the committee in the senate with  
86.31 jurisdiction over finance. The report shall summarize the actions and findings of the grant  
86.32 recipient and shall make recommendations for policies and the use of financial resources  
86.33 to prevent and address problem gambling by young adults.

APPENDIX  
Article locations for 25-01265

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ARTICLE 2	TAXATION OF SPORTS BETTING.....	Page.Ln 35.10
ARTICLE 3	FANTASY CONTESTS.....	Page.Ln 38.6
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ARTICLE 5	CRIMES RELATED TO SPORTS BETTING.....	Page.Ln 62.17
ARTICLE 6	SPORTS AND ACTIVITIES GRANTS.....	Page.Ln 71.1
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