

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

S.F. No. 5330

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DATE	D-PG	OFFICIAL STATUS
04/04/2024	13379	Introduction and first reading
		Referred to State and Local Government and Veterans
04/18/2024	14380	Author added McEwen

1.1 A bill for an act

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

1.3 licenses; prohibiting local restrictions; providing for taxation of sports betting;

1.4 providing civil and criminal penalties; requiring reports; appropriating money;

1.5 amending Minnesota Statutes 2022, sections 240.01, subdivision 1b; 245.98,

1.6 subdivision 2; 260B.007, subdivision 16; 325E.42, subdivision 2; 609.75,

1.7 subdivisions 3, 4, 7, by adding a subdivision; 609.755; 609.76, subdivision 2;

1.8 proposing coding for new law in Minnesota Statutes, chapters 299L; 609; proposing

1.9 coding for new law as Minnesota Statutes, chapter 297J.

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

1.11 **ARTICLE 1**

1.12 **LAWFUL SPORTS BETTING**

1.13 Section 1. 299L.10 **DEFINITIONS.**

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

1.15 meanings given them.

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

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

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

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

1.20 (2) an esports or athletic competition, demonstration, activity, or tournament organized

1.21 by an elementary, middle, or high school; by a public or private institution of higher

1.22 education; or by any youth activity sports program, league, or clinic;

1.23 (3) a fantasy sports contest in which participants assemble teams of athletes or individuals

1.24 and the winning outcome reflects the relative knowledge and skill of the participants and

2.1 is determined predominantly by the accumulated statistical results of the performance of
2.2 athletes or individuals in an actual event; or

2.3 (4) the performance of an individual athlete participating in a single game or match of
2.4 a collegiate team.

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

2.8 Subd. 4. **Casino.** "Casino" means an establishment in which gaming is lawfully conducted
2.9 by an Indian Tribe in the state of Minnesota pursuant to the Indian Gaming Regulatory Act
2.10 and in accordance with a Tribal gaming ordinance and applicable Tribal-state compacts.

2.11 Subd. 5. **Class III gaming.** "Class III gaming" has the meaning given in United States
2.12 Code, title 25, section 2703.

2.13 Subd. 6. **College sports.** "College sports" means a sporting event in which at least one
2.14 participant is a team or individual from a public or private institution of higher education.

2.15 Subd. 7. **Compact.** "Compact" means a Tribal-state compact governing the conduct of
2.16 class III gaming on Indian lands that is negotiated under section 3.9221, any other state law,
2.17 or pursuant to the Indian Gaming Regulatory Act, Public Law 100-497, and future
2.18 amendments to it.

2.19 Subd. 8. **Esports events.** "Esports events" are leagues, competitive circuits, tournaments,
2.20 or similar competitions where individuals or teams play video games typically for spectators
2.21 either in-person or online for the purpose of entertainment, prizes, and money that meets
2.22 the following conditions:

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

2.26 (2) the video game is approved by the commissioner and publisher to be an event eligible
2.27 for wagering.

2.28 Subd. 9. **Indian Tribe.** "Indian Tribe" means the following federally recognized Tribes
2.29 and any instrumentality, political subdivision, legal entity, or other organization through
2.30 which one of them conducts business:

2.31 (1) the Fond du Lac Band;

2.32 (2) the Grand Portage Band;

3.1 (3) the Mille Lacs Band;

3.2 (4) the White Earth Band;

3.3 (5) the Bois Forte Band;

3.4 (6) the Leech Lake Band;

3.5 (7) the Red Lake Nation;

3.6 (8) the Upper Sioux Community;

3.7 (9) the Lower Sioux Indian Community;

3.8 (10) the Shakopee Mdewakanton Sioux Community; and

3.9 (11) the Prairie Island Indian Community.

3.10 Subd. 10. **In-game betting.** "In-game betting" means placing a mobile sports betting
3.11 wager after a sporting event has started but before the outcome of the wager is determined.

3.12 Subd. 11. **Mobile application.** "Mobile application" means an application on a mobile
3.13 phone or other device through which an individual is able to place a mobile sports betting
3.14 wager.

3.15 Subd. 12. **Mobile sports betting.** "Mobile sports betting" means operating, conducting,
3.16 or offering for play sports betting through the Internet.

3.17 Subd. 13. **Mobile sports betting account.** "Mobile sports betting account" means an
3.18 electronic ledger in which all of the following types of transactions relative to an authorized
3.19 participant are recorded:

3.20 (1) deposits and credits;

3.21 (2) withdrawals;

3.22 (3) mobile sports betting wagers;

3.23 (4) monetary value of winnings;

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

3.26 (6) adjustments to the account;

3.27 (7) promotional activity; and

3.28 (8) responsible gaming parameters.

4.1 Subd. 14. **Mobile sports betting operator.** "Mobile sports betting operator" means an
4.2 Indian Tribe that receives a license from the commissioner to operate, conduct, or offer for
4.3 play mobile sports betting under this section to section 299L.80.

4.4 Subd. 15. **Mobile sports betting platform.** "Mobile sports betting platform" means an
4.5 integrated system of hardware, software, or applications, including mobile applications and
4.6 servers, through which a mobile sports betting operator operates, conducts, or offers sports
4.7 betting through the Internet.

4.8 Subd. 16. **Mobile sports betting platform provider.** "Mobile sports betting platform
4.9 provider" means a sports betting supplier that contracts with a mobile sports betting operator
4.10 to provide a mobile sports betting platform.

4.11 Subd. 17. **Participant in a sporting event.** "Participant in a sporting event" means a
4.12 person engaging in a sporting event as a player, coach, or official, or who is an owner or
4.13 officer of a team engaging in a sporting event or the league or organization organizing the
4.14 sporting event.

4.15 Subd. 18. **Sporting event.** "Sporting event" means an athletic event, esports event, or
4.16 other event approved by the commissioner to be an event eligible for wagering under this
4.17 section to section 299L.80.

4.18 Subd. 19. **Sports betting.** (a) "Sports betting" means wagering on the outcome of a
4.19 sporting event or portions thereof or individual performance statistics therein that is:

4.20 (1) organized by a professional sports organization, internationally recognized sports
4.21 organization, or amateur sports organization; and

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

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

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

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

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

5.1 Subd. 20. **Sports betting supplier.** "Sports betting supplier" means a person that, either
5.2 directly or indirectly, provides mobile sports betting operators with services, goods, software,
5.3 or any other product or information necessary to conduct sports betting or determine the
5.4 outcome of wagers, including a person who provides data feeds and odds services, risk
5.5 management providers, and integrity monitoring providers. Sports betting supplier does not
5.6 include a sports governing body that provides raw statistical match data.

5.7 Subd. 21. **Sports governing body.** "Sports governing body" means an organization that
5.8 prescribes and enforces final rules and codes of conduct for a sporting event and participants
5.9 engaged in the sport. For an esport, "sports governing body" means the video game publisher
5.10 of the title used in the esports competition.

5.11 Subd. 22. **Wager.** "Wager" means a transaction between an individual and a licensed
5.12 mobile sports betting operator in which an individual pays, deposits, or risks cash or a cash
5.13 equivalent during sports betting on an uncertain outcome of a sporting event.

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

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

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

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

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

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

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

6.1 (2) promote public safety and welfare; and

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

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

6.6 (1) the manner in which wagers are accepted and payouts are remitted, except the
6.7 commissioner shall not promulgate a regulation setting a minimum hold requirement;

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

6.9 (3) the method of accounting to be used by mobile sports betting operators;

6.10 (4) the types of records that shall be kept by mobile sports betting operators, mobile
6.11 sports betting platform providers, and sports betting suppliers;

6.12 (5) the testing and auditing requirements for licensees, including requirements related
6.13 to mobile sports betting accounts;

6.14 (6) the creation, funding, and use of mobile sports betting accounts, debit cards, and
6.15 checks by authorized participants provided that the rules permit an authorized participant
6.16 to fund a mobile sports betting account through a bonus or promotion, electronic bank
6.17 transfer, an online or mobile payment system that supports online money transfers, a
6.18 reloadable or prepaid card, and any other appropriate means approved by the commissioner
6.19 other than the use of credit cards;

6.20 (7) the appropriate standards and practices to prevent and address gambling disorders;

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

6.24 (9) the sporting events on which wagers are authorized to be placed;

6.25 (10) the requirements for obtaining and retaining mobile sports betting operator licenses,
6.26 mobile sports betting platform provider licenses, and sports wagering supplier licenses,
6.27 including requirements for criminal and financial background checks, financial disclosure
6.28 and auditing requirements, data practices and security requirements, bonding or other surety
6.29 requirements, and the conduct of inspections;

6.30 (11) the requirements for mobile sports betting platform provider licensees to provide
6.31 equipment and supplies used in sports betting;

7.1 (12) the requirements for sports wagering supplier licensees to provide services, goods,
7.2 software, or any other product or information necessary to conduct sports betting or determine
7.3 the outcome of wagers;

7.4 (13) the requirements for employees of mobile sports betting operators whose exclusive
7.5 or primary responsibilities involve mobile sports betting, including minimum age
7.6 requirements, criminal background checks, and retention of documents related to the
7.7 employees;

7.8 (14) the appropriate limits, requirements, standards, and regulations, if any, related to
7.9 marketing and advertising, developed in consultation with the state affiliate recognized by
7.10 the National Council on Problem Gambling, including rules to address the time, place, and
7.11 manner of marketing and advertising, the types of wagers that may be marketed or advertised,
7.12 and the types of mobile sports betting accounts that may be marketed or advertised;

7.13 (15) the limits and requirements related to advertising, including:

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

7.15 (ii) rules that prohibit advertisement in any print or digital publication or on the radio,
7.16 television, or any other medium if the targeted audience of that medium is reasonably
7.17 expected to be individuals who are under age 21 and that violate any statutory provisions
7.18 related to advertising restrictions; and

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

7.21 (16) the requirements for monitoring patterns of wagering to identify behaviors consistent
7.22 with problem gambling and the appropriate actions to take when problem gambling is
7.23 suspected, including pausing or suspending activities from an identified mobile sports betting
7.24 account; and

7.25 (17) the appropriate limits, standards, and requirements necessary to prevent excessive
7.26 wagering by an individual whose ability to control impulsive wagering is impaired in any
7.27 way.

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

7.30 (c) The commissioner shall regularly review and update rules designed to prevent and
7.31 address gambling disorders to incorporate advances in the understanding of gambling
7.32 disorders and updated best practices in the area.

8.1 Subd. 3. **Delegation.** The commissioner may delegate any of its authority under this
8.2 chapter to the director if, in the judgment of the commissioner, doing so would promote the
8.3 efficient administration of this chapter.

8.4 Subd. 4. **Requests for restrictions on wager types.** (a) A sports governing body may
8.5 request that the commissioner prohibit or restrict wagers on a particular sporting event, or
8.6 prohibit or restrict particular types of wagers if the sports governing body believes that such
8.7 type, form, or category of sports betting may undermine the integrity or perceived integrity
8.8 of the sports governing body or sporting event.

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

8.11 (c) Upon receipt of a request made under this subdivision, the commissioner shall send
8.12 written notice to every mobile sports betting operator, provide mobile sports betting operators
8.13 with an opportunity to respond to the request, and consider any timely response submitted
8.14 by a mobile sports betting operator. The commissioner may not take action without providing
8.15 mobile sports betting operators with an opportunity to respond, but may establish reasonable
8.16 deadlines for the response based on the nature of the request and any exigent circumstances
8.17 that exist.

8.18 (d) If the commissioner determines that the sports governing body has shown good cause
8.19 to support the requested prohibition or restriction, the commissioner shall adopt the
8.20 prohibition or restriction and send notice of the prohibition or restriction to every mobile
8.21 sports betting operator. If the commissioner determines that the sports governing body has
8.22 not shown good cause to support the requested prohibition or restriction, the commissioner
8.23 shall provide the sports governing body with notice and an opportunity for a hearing to offer
8.24 further evidence in support of its request. The commissioner shall provide the mobile sports
8.25 betting operators with notice of the hearing and an opportunity to participate.

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

8.29 (f) If the commissioner determines that the requestor is more likely than not to prevail
8.30 in successfully demonstrating good cause for its request, the commissioner may provisionally
8.31 grant the request of the sports governing body until the commissioner makes a final
8.32 determination as to whether the requestor has demonstrated good cause. Absent such a
8.33 provisional grant, mobile sports betting operators may continue to offer sports betting on

9.1 covered sporting events that are the subject of the request during the pendency of the
9.2 commissioner's consideration of the applicable request.

9.3 Subd. 5. **Helpline.** The commissioner must provide a helpline, accessible by telephone
9.4 or online live chat, that operates 24 hours per day and seven days per week, staffed by people
9.5 trained in the psychology of gambling disorders and suicide prevention to assist those who
9.6 contact the helpline to help the person with a gambling disorder.

9.7 Subd. 6. **Methods for identifying people at risk for gambling disorders.** The
9.8 commissioner must monitor the sports betting industry for the most effective methods to
9.9 identify people with a gambling disorder. The commissioner must adopt rules to implement
9.10 best practices to prevent sports betting by people flagged as having a gambling disorder or
9.11 being at risk of developing a gambling disorder.

9.12 Subd. 7. **Exclusion audits.** The commissioner must periodically conduct audits as to
9.13 the compliance of platform providers and operators with preclusions on sports betting in
9.14 section 299L.45.

9.15 Subd. 8. **Mobile sports betting start date.** No person shall offer mobile sports betting
9.16 in this state before the start date. All applicants for a mobile sports betting operator or mobile
9.17 sports betting platform provider license that have submitted an application within 30 days
9.18 of the date on which the commissioner begins to accept mobile sports betting operator or
9.19 mobile sports betting platform provider license applications shall be given an equal
9.20 opportunity to first commence offering, conducting, and operating mobile sports betting in
9.21 this state on the same day.

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

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

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

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

9.26 (3) sports betting supplier licenses.

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

9.28 Notwithstanding the foregoing, platform provider licenses may be transferred with the
9.29 commissioner's approval.

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

10.3 Subdivision 1. General requirements. (a) A licensee or applicant must meet each of
10.4 the following requirements, if applicable, to hold or receive a license issued under sections
10.5 299L.10 to 299L.80:

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

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

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

10.10 (4) not owe \$500 or more in delinquent taxes, as defined in section 270C.72;

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

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

10.15 (b) The requirements under paragraph (a) apply to the applicant or licensee, or a director,
10.16 officer, partner, member of the governing body for the applicant or licensee, whose exclusive
10.17 or primary responsibility is to conduct mobile sports betting operations in this state.

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

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

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

10.26 (2) is a crime involving gambling; or

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

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

11.1 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. 3. **Background investigation.** The commissioner must perform a background
11.7 investigation on applicants for a license or license renewal and on each director, officer,
11.8 partner, member of the governing body for the applicant or licensee, person in a supervisory
11.9 or management position of the applicant or licensee, or any direct or indirect holder of more
11.10 than ten percent financial interest in the applicant or licensee. The commissioner may request
11.11 the director and the commissioner of revenue to assist in investigating the background of
11.12 an applicant or a licensee under this section. The commissioner may charge an applicant
11.13 an investigation fee to cover the cost of the investigation and shall from this fee reimburse
11.14 the Division of Alcohol and Gambling Enforcement and the Department of Revenue for
11.15 their respective shares of the cost of the investigation. The commissioner is authorized to
11.16 have access to all data compiled by the Division of Alcohol and Gambling Enforcement on
11.17 licensees and applicants.

11.18 Subd. 4. **Criminal history record check.** The commissioner must perform a criminal
11.19 history record check on each officer, director, or stakeholder with more than ten percent
11.20 interest in the licensee or applicant. The records check must include a criminal history check
11.21 of the state and federal criminal records. The applicant or licensee must provide signed
11.22 consent for the national criminal history records check and fingerprints for each person
11.23 subject to a check under this subdivision, except that an individual who has submitted to a
11.24 national criminal history records check in this or any other state within the previous 12
11.25 months shall not be required to submit to another national criminal history records check
11.26 provided that the person submits the results of such previous national criminal history
11.27 records check. The director shall assist in performing the criminal history records check.
11.28 The director may charge an applicant a fee to cover the cost of the criminal history record
11.29 check, and shall from this fee reimburse the Division of Alcohol and Gambling Enforcement
11.30 for its share of the cost of the investigation. The commissioner or the director must submit
11.31 the signed informed consent, fingerprints, and Bureau of Criminal Apprehension and Federal
11.32 Bureau of Investigation fees to the superintendent of the Bureau of Criminal Apprehension
11.33 who is authorized to exchange the fingerprints with the Federal Bureau of Investigation to
11.34 obtain the applicant's national criminal history data. The superintendent of the Bureau of
11.35 Criminal Apprehension shall retrieve Minnesota criminal history data and shall provide the

12.1 results of the state and federal criminal history record check to the director. The commissioner
 12.2 is authorized to have access to all criminal history data compiled on licensees and applicants
 12.3 by the Division of Alcohol and Gambling Enforcement, including criminal history data on
 12.4 each officer, director, or stakeholder with more than ten percent interest in the licensee or
 12.5 applicant.

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

12.10 Subd. 6. **Applicability.** The requirements under this section do not apply to an elected
 12.11 or appointed representative of any applicant or licensee that is an Indian Tribe unless the
 12.12 representative is also a full-time employee of the applicant's or licensee's mobile sports
 12.13 betting operations.

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

12.16 Subdivision 1. **Application; contents.** An application for a license under sections
 12.17 299L.10 to 299L.80 must be submitted on a form prescribed by the commissioner. At a
 12.18 minimum, the application must include:

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

12.22 (2) the type of license being sought;

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

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

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

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

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

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

13.5 or

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

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

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

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

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

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

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

13.27 (d) Within 90 days of receiving a completed application for an applicant not subject to
13.28 the selection process in section 299L.78, the commissioner shall issue the appropriate license
13.29 or send the applicant a notice of rejection setting forth specific reasons why the commissioner
13.30 did not approve the application. For an applicant subject to the selection process in section
13.31 299L.78, the commissioner must issue the appropriate license promptly after selection.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 15.1 (1) be an entity wholly owned and controlled by an Indian Tribe;
- 15.2 (2) submit a completed application and all required documents or other materials pursuant
- 15.3 to sections 299L.25 and 299L.26 and any relevant rules;
- 15.4 (3) submit a detailed plan and specifications for the implementation of mobile sports
- 15.5 betting;
- 15.6 (4) include commercially reasonable and practicable mechanisms on its mobile sports
- 15.7 betting platform that are designed to detect and prevent the unauthorized use of Internet
- 15.8 sports betting accounts and to detect and prevent fraud, money laundering, and collusion,
- 15.9 or require a contracted mobile sports betting platform provider to include those commercially
- 15.10 reasonable and practicable mechanisms;
- 15.11 (5) submit a statement of the assets and liabilities of the license holder to the
- 15.12 commissioner;
- 15.13 (6) not be disqualified under section 299L.25 or any relevant rules;
- 15.14 (7) pay an annual licensing fee in the amount of \$2,125; and
- 15.15 (8) meet any other conditions required by rule adopted pursuant to section 299L.15.

15.16 Subd. 4. **Reporting.** A mobile sports betting operator must report to the commissioner

15.17 monthly on wagers placed and redeemed during the reporting month and outstanding at the

15.18 time of the report.

15.19 Subd. 5. **Prohibition on use of information.** The provisions of this section only apply

15.20 to mobile sports betting operations in this state and do not apply to other activities relating

15.21 to Tribal gaming operations, Tribal government records, or class III sports betting operations

15.22 conducted exclusively on Indian lands.

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

15.24 Subdivision 1. **Issuance.** The commissioner may issue up to 11 mobile sports betting

15.25 platform provider licenses that are valid for three years. A mobile sports betting platform

15.26 provider may be renewed under conditions required by rule adopted pursuant to section

15.27 299L.15.

15.28 Subd. 2. **Authorized actions.** A mobile sports betting platform provider license entitles

15.29 the licensee to provide a sports betting platform, sports betting technology, sports betting

15.30 applications, or associated mobile sports betting hardware, software, or equipment to a

15.31 mobile sports betting operator.

16.1 Subd. 3. **Licensing requirements.** A mobile sports betting platform provider must:

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

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

16.5 (3) pay an application fee of \$6,000 with submission of an application;

16.6 (4) pay a licensing fee after the application is approved in the amount of \$38,250 or a
16.7 license renewal fee of \$25,500; and

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

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

16.10 Subdivision 1. **Issuance.** The commissioner may issue sports betting supplier licenses
16.11 that are valid for three years. A sports betting supplier license may be renewed under
16.12 conditions required by rule adopted pursuant to section 299L.15.

16.13 Subd. 2. **Authorized actions.** A sports betting supplier license entitles the licensee to
16.14 directly provide mobile sports betting operators with information and support necessary to
16.15 offer mobile sports betting. Information and support may be provided in the form of services,
16.16 goods, or software, and may include data feeds and odds services, risk management, and
16.17 integrity monitoring.

16.18 Subd. 3. **Licensing requirements.** (a) A mobile sports betting supplier must:

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

16.21 (2) pay an application fee of \$6,000 with submission of an application;

16.22 (3) pay a licensing fee after the application is approved in the amount of \$38,250 or a
16.23 license renewal fee of \$25,500; and

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

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

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

16.29 (2) investment funds or entities registered with the Securities and Exchange Commission,
16.30 including any investment advisors or entities under the management of an entity registered

17.1 with the Securities and Exchange Commission, that are direct or indirect shareholders of
17.2 the applicant.

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

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

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

17.11 (c) If a mobile sports betting operator chooses not to contract with a mobile sports betting
17.12 platform provider for these services, then the mobile sports betting operator must comply
17.13 with the reporting and regulatory requirements held by mobile sports betting platform
17.14 provider license holders.

17.15 Subd. 2. **Logo display required.** A mobile sports betting platform provider that has
17.16 contracted with a mobile sports betting operator must clearly display a brand of the mobile
17.17 sports betting operator within its mobile application in addition to any other brand that the
17.18 mobile sports betting platform provider uses to conduct, offer, or play mobile sports betting
17.19 in Minnesota.

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

17.21 Application, license, and renewal fees shall be deposited in the sports betting revenue
17.22 account in the special revenue fund.

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

17.24 Subdivision 1. **Prohibition on targeting individuals under age 21.** No licensee or
17.25 other person shall publish or cause to be published an advertisement for mobile sports betting
17.26 that:

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

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

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

18.4 Subd. 2. **Prohibition on targeting individuals prohibited from placing wagers.** No
18.5 licensee or other person shall publish or cause to be published an advertisement for mobile
18.6 sports betting that targets individuals who are disqualified, prohibited, or excluded from
18.7 placing a wager on a sporting event for any reason, including being identified on the exclusion
18.8 list identified in section 299L.45, subdivision 1.

18.9 Subd. 3. **Advertising on public property.** No licensee or other person may publish or
18.10 cause to be published, displayed, disseminated, or distributed, an advertisement for or
18.11 marketing material for sports betting, or take actions to promote or market sports betting,
18.12 on public property or within 500 feet of a school or playground. For purposes of this section,
18.13 "public property" means property owned by the state or a home rule charter or statutory
18.14 city, county, town, school district, metropolitan or regional agency, public corporation,
18.15 political subdivision, or special district, as defined in section 6.465.

18.16 Subd. 4. **Advertising content.** (a) All advertisements for mobile sports betting must
18.17 display the National Council on Problem Gambling's helpline number or other national
18.18 toll-free numbers approved by the commissioner for information and referral services for
18.19 gambling disorders and must provide a warning, as specified by the commissioner, that
18.20 gambling may be addictive and may cause financial hardship.

18.21 (b) Any advertisement for mobile sports betting referencing a promotion shall:

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

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

18.28 (3) not restrict the authorized participant from withdrawing the authorized participant's
18.29 own funds or withdraw winnings from bets placed using the authorized participant's own
18.30 funds.

18.31 (c) Partnerships between mobile sports betting operators or mobile sports betting platform
18.32 providers and colleges or universities shall not include any component that advertises,
18.33 markets, or promotes sports betting activity unless such partnerships are exclusively with

19.1 alumni networks or are content that is exclusively focused on responsible gambling education
19.2 or problem gambling awareness.

19.3 (d) Mobile sports betting operators or mobile sports betting platform providers shall not
19.4 enter name, image, and likeness endorsements or partnerships with amateur athletes in the
19.5 state.

19.6 (e) No advertising, marketing, in-app advertisements, emails, or other promotional
19.7 materials published, aired, displayed, disseminated, or distributed by or on behalf of a mobile
19.8 sports betting operator or mobile sports betting platform provider for sports betting shall
19.9 be published, aired, displayed, disseminated, or distributed:

19.10 (1) on any college or university campus property; or

19.11 (2) in college- or university-owned news assets.

19.12 (f) Nothing in this act shall apply to any advertisements for commercial retail products
19.13 or services other than mobile sports betting.

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

19.18 Subd. 6. **Prohibition on certain terminology in advertising.** No licensee or other
19.19 person may publish or cause to be published an advertisement or marketing or promotional
19.20 material that makes an offer for a person to place a bet without risk of loss, if the person
19.21 must risk the player's own money to take advantage of the offer or promotion. This includes
19.22 advertisements or marketing or promotional materials using the phrase "risk-free," "free
19.23 play," or other similar terminology.

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

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

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

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

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

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

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

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

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

20.14 Subd. 3. **Wager types prohibited.** Mobile sports betting operators, or a mobile sports
 20.15 betting platform provider on behalf of a mobile sports betting operator, shall not offer or
 20.16 accept wagers on the occurrence or outcomes of the following situations that may occur
 20.17 during or after a sporting event:

20.18 (1) player injuries;

20.19 (2) penalties;

20.20 (3) the outcome of player disciplinary rulings;

20.21 (4) replay reviews; or

20.22 (5) in-game betting.

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

20.26 (b) A mobile sports betting account must provide a mechanism for an individual to set
 20.27 limits on the amount of time they spend on the mobile sports betting platform, set limits on
 20.28 the amount of money they spend on the platform, and self-exclude from using the mobile
 20.29 sports betting platform. A mobile sports betting account provider must allow a person to
 20.30 set the following limits for the person's mobile sports betting account:

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

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

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

21.3 The mobile sports betting account must not allow the account to be used to place bets when
21.4 the person has met a limit the person has set. The mobile sports betting account provider
21.5 must provide notice to the person of the opportunity to set these limits at the time the person
21.6 sets up the account and annually after setup and must require a person to either set limits
21.7 or affirm that the person does not want to set any limits at account setup and annually after
21.8 setup. The notice must be worded and formatted as specified by the commissioner.

21.9 (c) Information provided by an individual who establishes a mobile sports betting account
21.10 may be accessed, stored, and used by a mobile sports betting operator.

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

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

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

21.24 (d) A person shall have the right to withdraw the balance of funds in the mobile sports
21.25 betting account in the person's name at any time with proof of identity, as determined by
21.26 rules adopted pursuant to section 299L.15. The balance of funds in the account includes
21.27 money the person has deposited into the account and the value of all promotional credits
21.28 available to the person to apply toward betting, including refunds for losses that are credited
21.29 to the account as a promotion.

21.30 Subd. 6. **Wager location.** (a) Mobile sports betting wagers regulated under sections
21.31 299L.10 to 299L.80 may only be accepted from a person placing a wager online, through
21.32 a website or mobile application, while the person placing the wager is physically within the
21.33 state and not within an area geofenced under paragraph (b). The website or application may

22.1 be hosted by a mobile sports betting operator operating in conjunction with a mobile sports
22.2 betting platform provider. The incidental routing of a mobile sports wager shall not determine
22.3 the location or locations in which the wager is initiated, received, or otherwise made.

22.4 (b) Wagering is prohibited within ... yards of elementary or secondary school buildings
22.5 or higher education institutions. Mobile sports betting platform providers must incorporate
22.6 geofencing to make sports betting from a mobile application unavailable in these areas.

22.7 Subd. 7. **Information provided at the time of wager.** A mobile sports betting operator
22.8 or mobile sports betting platform provider must disclose the betting line and terms of a
22.9 wager prior to accepting a wager. Terms of the wager include the ratio of the amount to be
22.10 paid for winning to the wagered amount.

22.11 Subd. 8. **Outcome determined.** A mobile sports betting operator or mobile sports betting
22.12 platform provider must not accept a wager on the outcome of an event or proposition that
22.13 has already been determined.

22.14 Subd. 9. **Receipt.** A mobile sports betting operator or mobile sports betting platform
22.15 provider must provide a person who places a wager with an electronic receipt at the time
22.16 of sale that contains the following information:

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

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

22.19 (3) the amount wagered; and

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

22.21 Subd. 10. **Wager data; safeguards necessary.** (a) Information regarding wagers made
22.22 by an authorized participant who engages in mobile sports betting, including but not limited
22.23 to wager type and consideration paid, may be accessed, stored, or used for ordinary business
22.24 purposes by the mobile sports betting operator.

22.25 (b) Mobile sports betting operators and mobile sports betting platform providers must
22.26 use commercially reasonable methods to maintain the security of wager data, authorized
22.27 participant data, and other confidential information from unauthorized access and
22.28 dissemination, however, that nothing in this act shall preclude the use of Internet or
22.29 cloud-based hosting of such data and information or disclosure as required by court order,
22.30 other law, or this act.

23.1 **Sec. 15. [299L.41] PUSH NOTIFICATIONS.**

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

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

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

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

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

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

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

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

23.21 (b) A person who has requested to be on the exclusion list may specify a time limit of
23.22 one or five years or for the person's lifetime for the person's name to be on the list. The
23.23 commissioner will remove the person's name from the list at the conclusion of the specified
23.24 time.

23.25 (c) The information contained on the list is private data on individuals, as defined in
23.26 section 13.02, subdivision 12, except the commissioner shall transmit the list with mobile
23.27 sports betting operators and mobile sports betting platform providers to prevent persons on
23.28 the exclusion list from placing sports betting wagers.

23.29 (d) A mobile platform provider must provide a user the opportunity to request to be on
23.30 the exclusion list for a specified time of one or five years or for the person's lifetime. The
23.31 platform provider must report the request to the commissioner and the commissioner must

24.1 immediately add the person's name and exclusion request to the list maintained under this
24.2 section.

24.3 (e) The commissioner must provide through the agency's website a form for a person to
24.4 make a request to be included on the exclusion list for a specified time of one or five years
24.5 or for the person's lifetime.

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

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

24.12 (2) an individual who is an athlete, coach, referee, player, trainer, or team employee is
24.13 prohibited from wagering on a sporting event overseen by that person's sports governing
24.14 body;

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

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

24.21 (5) for purposes of this subdivision, "owner" of a team shall mean an individual who
24.22 owns more than five percent of the team.

24.23 Subd. 3. **Personal limits on wagering.** (a) A mobile sports betting operator or mobile
24.24 sports betting platform provider must allow individuals to establish the following types of
24.25 limits on their own wagering activity:

24.26 (1) a limit on the amount the person can lose in a 24-hour period before triggering a
24.27 cooling-off period;

24.28 (2) a limit on the amount a person can lose in a 30-day period before triggering a
24.29 cooling-off period;

24.30 (3) the maximum amount a person may deposit into the person's mobile sports betting
24.31 account in a 24-hour period;

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

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

25.4 (b) A mobile sports betting operator or mobile sports betting platform provider must set
25.5 the limits in paragraph (a) to the following default limits for a new account, subject to any
25.6 limits established by law:

25.7 (1) \$500 is the default amount of losses a person can incur in a 24-hour period before
25.8 the person is prohibited from wagering;

25.9 (2) \$3,000 is the default limit on the amount a person can lose in a 30-day period before
25.10 the person is prohibited from wagering;

25.11 (3) \$500 is the default maximum amount a person may deposit into the person's mobile
25.12 sports betting account in a 24-hour period;

25.13 (4) four hours per 24-hour period is the default limit on the time that a person may be
25.14 continuously logged into a mobile sports betting application; and

25.15 (5) 72 hours is the default length of a cooling-off period if a person requests a cooling-off
25.16 period during which time wagers from the person cannot be accepted.

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

25.21 (d) A mobile sports betting operator must allow a person to make changes to their
25.22 exclusion settings under paragraph (a) in ways that make them more restrictive at any time
25.23 and those limits must take effect immediately. Changes that make the exclusion settings
25.24 under paragraph (a) less restrictive become effective 7 days after the person makes the
25.25 change.

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

25.28 (f) A mobile sports betting operator must report to the commissioner when a person
25.29 becomes excluded due to hitting a limit set under paragraph (a) or (b). The commissioner
25.30 must communicate to other licensed mobile sports betting operators or platform providers
25.31 as necessary to make the exclusion effective across all opportunities for participating in
25.32 sports betting in Minnesota.

26.1 Subd. 4. **Prohibition on accepting wagers.** (a) A mobile sports betting operator or
26.2 mobile sports betting platform provider shall not knowingly accept a wager from a person
26.3 on the exclusion list or allow a person on the exclusion list to establish a mobile sports
26.4 betting account.

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

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

26.11 Subd. 5. **Notice.** The commissioner shall notify a person whose name has been added
26.12 to the exclusion list under subdivision 1, paragraph (a), clause (2), (3), or (4).

26.13 Subd. 6. **Prohibition on advertising.** A platform provider and operator are prohibited
26.14 from contacting a person through communications in a mobile sports betting application,
26.15 email, text, or telephone call, for the purpose of advertising or promoting sports betting
26.16 during the following periods:

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

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

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

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

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

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

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

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

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

27.9 (c) In lieu of holding cash reserves outlined in subdivision 2, paragraphs (a) and (b), a
27.10 mobile sports betting operator or mobile sports betting platform provider may post a bond,
27.11 securities, or an irrevocable letter of credit in an amount the commissioner deems necessary
27.12 after taking into consideration the amount of the mobile sports betting operator's cash
27.13 reserves, to protect the financial interests of people wagering on sporting events. If securities
27.14 are deposited or an irrevocable letter of credit filed, the securities or letter of credit must be
27.15 of a type or in the form provided under section 349A.07, subdivision 5, paragraphs (b) and
27.16 (c).

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

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

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

27.30 (c) The commissioner, mobile sports betting operators, and any sports governing body
27.31 that receives the information described in paragraph (b) from an independent integrity
27.32 monitoring provider must maintain the confidentiality of the information, and use the
27.33 information solely for purposes of investigating or preventing the conduct described in this

28.1 section unless disclosure is required by this act, the commissioner, other law, or court order,
28.2 or unless the sports governing body consents to disclosure. The information may not be
28.3 used for any commercial or other purpose.

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

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

28.13 Subdivision 1. **Record retention.** (a) Mobile sports betting operators or mobile sports
28.14 betting platform providers shall maintain records of all bets and wagers placed, including
28.15 personally identifiable information of an authorized participant, amount and type of wager,
28.16 time the wager was placed, location of the wager, including IP address if applicable, the
28.17 outcome of the wager, and records of abnormal betting activity for 3.5 years after the sporting
28.18 event occurs.

28.19 (b) Mobile sports betting operators or mobile sports betting platform providers shall
28.20 make the data described in paragraph (a) available for inspection upon request of the
28.21 commissioner or as required by court order.

28.22 Subd. 2. **Anonymization required.** Mobile sports betting operators or mobile sports
28.23 betting platform providers shall use commercially reasonable efforts to maintain in real
28.24 time and at the account level anonymized information regarding an authorized participant,
28.25 amount and type of wager, the time the wager was placed, the location of the wager, including
28.26 the IP address if applicable, the outcome of the wager, and records of abnormal betting
28.27 activity. Nothing in this section shall require a mobile sports betting operator and mobile
28.28 sports betting platform provider to provide any information that is prohibited by federal,
28.29 state, or local laws or regulations, including laws and regulations relating to privacy and
28.30 personally identifiable information.

28.31 Subd. 3. **Information sharing.** (a) If a sports governing body has notified the
28.32 commissioner that access to the information described in subdivision 2 for wagers placed
28.33 on sporting events of the sports governing body is necessary to monitor the integrity of such
28.34 body's sporting events, then mobile sports betting operators shall share, in a commercially

29.1 reasonable frequency, form, and manner, with the sports governing body or its designees
29.2 the information under subdivision 2 with respect to sports wagers on sporting events of such
29.3 sports governing body.

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

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

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

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

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

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

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

30.1 Subd. 2. **Authority to act.** (a) The commissioner may issue administrative orders, impose
30.2 civil penalties, and suspend, revoke, or not renew a license issued pursuant to sections
30.3 299L.10 to 299L.80 if the commissioner determines that a licensee has committed or is
30.4 about to commit a violation of those sections or rules adopted pursuant to those sections,
30.5 or if the commissioner determines that the licensee is disqualified or ineligible to hold a
30.6 license pursuant to section 299L.25 or 299L.26. A conviction for a violation of section
30.7 299L.80 is not required for the commissioner to take action on a violation.

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

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

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

30.17 (2) the licensee has not timely filed a tax return or paid the tax required under chapter
30.18 297J; or

30.19 (3) the licensee has not timely paid all fees due under sections 299L.10 to 299L.80.

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

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

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

30.31 (b) If the licensee believes the information in the administrative order is in error, the
30.32 licensee may ask the commissioner to reconsider any parts of the order that are alleged to
30.33 be in error. The request must be in writing, delivered to the commissioner by certified mail

31.1 within seven days after receipt of the order, and provide documentation to support the
31.2 allegation of error. The commissioner must respond to a request for reconsideration within
31.3 15 days after receiving the request. A request for reconsideration does not stay the order
31.4 unless the commissioner issues a supplemental order granting additional time. The
31.5 commissioner's disposition of a request for reconsideration is final.

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

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

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

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

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

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

31.31 Sec. 22. **[299L.62] PRIVATE REMEDIES; DECEPTIVE PRACTICES.**

31.32 In addition to the remedies otherwise provided by law, an individual injured by a violation
31.33 of section 299L.37, 325E.42, or 325F.67 may bring a civil action against a mobile sports

32.1 betting platform provider and recover damages; costs and disbursements, including costs
32.2 of investigation; and reasonable attorney fees and receive other equitable relief as determined
32.3 by the court. An action brought under this section benefits the public.

32.4 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to causes
32.5 of actions accruing on or after that date.

32.6 Sec. 23. **[299L.65] REPORTING.**

32.7 Subdivision 1. **Financial report.** By June 1 of each year, the commissioner must submit
32.8 a report to the chairs and ranking minority members of the legislative committees with
32.9 jurisdiction over public safety, the legislative committees with jurisdiction over taxes, the
32.10 committee in the house of representatives with jurisdiction over commerce, the committee
32.11 in the senate with jurisdiction over state government finance and policy, the committee in
32.12 the house of representatives with jurisdiction over ways and means, and the committee in
32.13 the senate with jurisdiction over finance. The report must describe the activities of the
32.14 commissioner with respect to wagering on sporting events and include summary financial
32.15 information on sports betting and the regulated sports betting industry as a whole. The report
32.16 must not include information or data on individuals or entities that is classified as private
32.17 data under section 299L.70 or separately list the earnings, wagers, or tax revenue generated
32.18 by or use identifying information for specific mobile sports betting operators.

32.19 Subd. 2. **License activity report.** By February 1 of each year beginning in 2026, the
32.20 commissioner shall submit a report to the chairs and ranking minority members of the
32.21 committees in the house of representatives and the senate with jurisdiction over public
32.22 safety, the committee in the house of representatives with jurisdiction over commerce, and
32.23 the committee in the senate with jurisdiction over state government finance and policy on
32.24 the following:

32.25 (1) the status of applications for licenses issued by the commissioner, including the
32.26 number of applications for each type of license, the number of licenses of each type issued,
32.27 and the average time between receipt of a complete application and issuance of each type
32.28 of license;

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

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

33.1 (4) the commissioner's enforcement actions taken against persons licensed under sections
33.2 299L.10 to 299L.80 for licensing violations, including violations of the rules adopted under
33.3 section 299L.15.

33.4 **Sec. 24. [299L.655] STUDY ON THE PREVALENCE OF GAMBLING;**
33.5 **APPROPRIATION.**

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

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

33.13 Subd. 3. **Appropriation.** Notwithstanding any law to the contrary, before the distribution
33.14 required under section 297J.02, subdivision 7, paragraph (b), \$..... is appropriated from
33.15 the sports betting revenue account in the special revenue fund to the commissioner of public
33.16 safety for the study required in subdivision 2. The commissioner may contract with a third
33.17 party to conduct the study.

33.18 **Sec. 25. [299L.6556] STUDY ON THE IMPACT OF SPORTS BETTING ON**
33.19 **PROBLEM GAMBLING, GAMBLING DISORDERS, YOUTH GAMBLING, AND**
33.20 **SUICIDE.**

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

33.25 **Sec. 26. [299L.70] DATA PROTECTIONS.**

33.26 Subdivision 1. **Classification.** Data in which an individual who has wagered on sporting
33.27 events is identified by name, account number, Social Security number, or any other uniquely
33.28 identifying indicia, is private data on individuals, as defined in section 13.02, subdivision
33.29 12. Data on individual earnings of mobile sports betting operators, mobile sports betting
33.30 platform providers, mobile sports betting operator application and licensing information,
33.31 mobile sports betting platform provider application and licensing information, and all Tribal

34.1 revenue records unassociated with mobile sports betting operators is nonpublic data, as
34.2 defined in section 13.02, subdivision 9.

34.3 Subd. 2. **Sale of private data on individuals.** The commissioner shall revoke any license
34.4 issued under sections 299L.10 to 299L.80 of a person who sells data on individuals that
34.5 would be classified as private under subdivision 1 collected through the practice of sports
34.6 betting, unless sharing of that data is otherwise allowed in this act.

34.7 Sec. 27. **[299L.75] LOCAL RESTRICTIONS; PROHIBITION ON LOCAL TAXES**
34.8 **OR FEES.**

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

34.11 Sec. 28. **[299L.80] REVIEW OF OTHER STATES' RESTRICTIONS.**

34.12 The commissioner must review the laws of other states in which wagering on sports is
34.13 regulated to identify restrictions and safeguards on sports wagering that would be advisable
34.14 to ensure the integrity of sports betting and to provide effective safety measures to protect
34.15 people with a gambling disorder or who are at risk of developing a gambling disorder. The
34.16 commissioner must adopt rules to implement the restrictions and safeguards the commissioner
34.17 identifies from other states as advisable under this section. By January 15 of each year, the
34.18 commissioner shall report to the chairs and ranking minority members of the committees
34.19 in the house of representatives and the senate with jurisdiction over sports wagering on
34.20 advisable restrictions and safeguards, including draft legislation to implement the additional
34.21 restrictions or safeguards.

34.22 Sec. 29. Minnesota Statutes 2022, section 325E.42, subdivision 2, is amended to read:

34.23 Subd. 2. **Attorney general's actions.** The attorney general may bring an action against
34.24 any person violating this section in accordance with section 8.31, ~~except that no private~~
34.25 ~~action is permitted to redress or correct a violation of this section.~~

34.26 Sec. 30. **INDIAN TRIBES; COMPACTS TO BE NEGOTIATED.**

34.27 The governor or the governor's designated representatives shall negotiate in good faith
34.28 new Tribal-state compacts regulating the conduct of class III sports betting on the Indian
34.29 lands of an Indian Tribe requesting negotiations, under Minnesota Statutes, section 3.9221.
34.30 Compacts in effect on January 1, 2023, shall not be modified to accommodate sports betting.

35.1 Sec. 31. APPROPRIATIONS.

35.2 (a) \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner
35.3 of public safety for the study required under Minnesota Statutes, section 299L.655,
35.4 subdivision 1. The commissioner may contract with a third party to conduct the study. This
35.5 appropriation is onetime.

35.6 (b) \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner
35.7 of public safety for the study required under Minnesota Statutes, section 299L.6556. The
35.8 commissioner may contract with a third party to conduct the study. This appropriation is
35.9 onetime.

35.10 **ARTICLE 2**35.11 **TAXATION OF SPORTS BETTING**35.12 Section 1. [297J.01] DEFINITIONS.

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

35.15 (1) "commissioner" means the commissioner of revenue;

35.16 (2) "mobile sports betting operator" has the meaning given in section 299L.10, subdivision
35.17 14;

35.18 (3) "mobile sports betting platform provider" has the meaning given in section 299L.10,
35.19 subdivision 16;

35.20 (4) "sporting event" has the meaning given in section 299L.10, subdivision 18;

35.21 (5) "sports betting" has the meaning given in section 299L.10, subdivision 19;

35.22 (6) "sports betting net revenue" means the total of all cash and cash equivalents received
35.23 in a month by a mobile sports betting operator from wagers on sporting events, including
35.24 the amount of cash or cash equivalents received for promotional credits or free bets, less
35.25 the following:

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

35.27 (ii) the cash equivalent of noncash prizes paid out as winnings in the month;

35.28 (iii) cash and cash equivalents received by a mobile sports betting operator or mobile
35.29 sports betting platform provider for activities other than sports betting; and

35.30 (iv) excise taxes paid to the federal government; and

36.1 (7) "wager" has the meaning given in section 299L.10, subdivision 22.

36.2 **EFFECTIVE DATE.** This section is effective for sports betting net revenue received
36.3 after December 31, 2025.

36.4 Sec. 2. **[297J.02] TAX ON SPORTS BETTING NET REVENUE.**

36.5 Subdivision 1. **Tax imposed.** (a) Except as provided in paragraph (b), a tax is imposed
36.6 on sports betting net revenue received equal to the rate determined pursuant to section
36.7 299L.78, subdivision 7, on wagers placed online through a website or mobile application,
36.8 as allowed under section 299L.40.

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

36.11 Subd. 2. **Sports betting net revenue tax in lieu of other taxes.** (a) Income derived by
36.12 a mobile sports betting operator or mobile sports betting platform provider from the conduct
36.13 of wagering on a sporting event is not subject to the tax imposed in chapter 290. Wagers
36.14 accepted by a mobile sports betting operator are not subject to the tax imposed in section
36.15 297A.62 or 297E.03.

36.16 (b) When sports betting net revenue for a month is less than zero, the commissioner
36.17 must allow the mobile sports betting operator or mobile sports betting platform provider to
36.18 carry over the negative amount to returns filed for subsequent months. The negative amount
36.19 of sports betting net revenue may not be carried back to an earlier month and remittances
36.20 previously received by the commissioner will not be refunded, except if the mobile sports
36.21 betting operator or mobile sports betting platform provider surrenders its mobile sports
36.22 betting license and the last return reported a negative amount of sports betting net revenue.

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

36.29 Subd. 4. **Public information.** All records concerning the administration of taxes under
36.30 this chapter are classified as public information.

36.31 Subd. 5. **Refunds.** A person who has, under this chapter, paid to the commissioner an
36.32 amount of tax for a period in excess of the amount legally due for that period may file with
36.33 the commissioner a claim for a refund of the excess. The amount necessary to pay the refunds

37.1 under this subdivision is appropriated from the sports betting revenue account established
37.2 in subdivision 7 to the commissioner.

37.3 Subd. 6. **Extensions.** If in the commissioner's judgment good cause exists, the
37.4 commissioner may extend the time for filing tax returns, paying taxes, or both under this
37.5 section for not more than six months.

37.6 Subd. 7. **Distribution of funds.** (a) The sports betting revenue account is established in
37.7 the special revenue fund. All amounts collected by the commissioner under this chapter
37.8 must be deposited in the account and distributed as provided in this subdivision. Any money
37.9 remaining in the account at the end of each fiscal year does not cancel. Interest and income
37.10 earned on money in the account, after deducting any applicable charges, shall be credited
37.11 to the account.

37.12 (b) Of the amount in the sports betting revenue account:

37.13 (1) fifty percent is appropriated to the commissioner of human services of which half is
37.14 for the compulsive gambling treatment program established under section 245.98, and half
37.15 is for a grant to the state affiliate recognized by the National Council on Problem Gambling
37.16 to be used to increase public awareness of problem gambling, provide education and training
37.17 for individuals and organizations providing effective treatment services to problem gamblers
37.18 and their families, and research relating to problem gambling. Money appropriated by this
37.19 clause must supplement and must not replace existing state funding for these programs;

37.20 (2) twenty-five percent shall be transferred to the general fund; and

37.21 (3) twenty-five percent is appropriated to the commissioner of education for grants for
37.22 addiction prevention and mental health services in public schools, as defined in section
37.23 120A.05, subdivisions 9, 11, 13, and 17, and charter schools formed under chapter 124E.

37.24 **EFFECTIVE DATE.** This section is effective for sports betting net revenue received
37.25 after December 31, 2025, except that subdivision 7 is effective January 1, 2025, and applies
37.26 to license and renewal fees received after December 31, 2024, and sports betting net revenue
37.27 received after December 31, 2025.

37.28 Sec. 3. **[297J.03] MOBILE SPORTS BETTING OPERATOR REPORTS AND**
37.29 **RECORDS.**

37.30 Subdivision 1. **Business records.** A mobile sports betting operator or mobile sports
37.31 betting platform provider must maintain records supporting the sports betting activity and
37.32 taxes owed. Records required to be kept in this section must be preserved by the mobile
37.33 sports betting operator or mobile sports betting platform provider for at least 3-1/2 years

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

38.3 Subd. 2. **Audits.** The commissioner may require a financial audit of a mobile sports
 38.4 betting operator's or mobile sports betting platform provider's sports betting activities if the
 38.5 mobile sports betting operator or mobile sports betting platform provider has failed to comply
 38.6 with this chapter as it relates to financial reporting. Audits must be performed by an
 38.7 independent accountant licensed according to chapter 326A. The commissioner must
 38.8 prescribe standards for an audit required under this subdivision. A complete, true, and correct
 38.9 copy of an audit must be filed as prescribed by the commissioner. Nothing in this subdivision
 38.10 limits the commissioner's ability to conduct its own audit pursuant to its authority under
 38.11 chapter 270C.

38.12 **EFFECTIVE DATE.** This section is effective for sports betting net revenue received
 38.13 after December 31, 2025.

38.14 Sec. 4. **[297J.04] OTHER PROVISIONS APPLY.**

38.15 Except for those provisions specific to distributors, gambling products, or gambling
 38.16 equipment, sections 297E.11 to 297E.14 apply to this chapter.

38.17 **EFFECTIVE DATE.** This section is effective for sports betting net revenue received
 38.18 after December 31, 2025.

38.19 **ARTICLE 3**
 38.20 **CRIMES RELATED TO SPORTS BETTING**

38.21 Section 1. Minnesota Statutes 2022, section 260B.007, subdivision 16, is amended to read:

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

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

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

39.1 (1) a misdemeanor-level violation of section 518B.01, 588.20, 609.224, 609.2242,
39.2 609.324, subdivision 2 or 3, 609.5632, 609.576, 609.66, 609.746, 609.748, 609.79, or
39.3 617.23;

39.4 (2) a major traffic offense or an adult court traffic offense, as described in section
39.5 260B.225;

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

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

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

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

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

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

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

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

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

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

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

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

40.4 (b) Paragraph (a) does not apply to the transfer of data between a person licensed under
40.5 section 299L.10 to 299L.80 or an employee of a licensee and the commissioner, the director,
40.6 or the commissioner of revenue when that transfer is necessary to perform duties prescribed
40.7 by law relating to wagering on sporting events or to information shared with a sports
40.8 governing body pursuant to section 299L.53, subdivision 3.

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

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

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

40.14 (b) A person licensed under sections 299L.10 to 299L.80 or an employee of a licensee
40.15 who knowingly accepts a wager on a sporting event placed by someone under the age of
40.16 21 years is guilty of a gross misdemeanor.

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

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

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

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

40.28 (3) an officer, director, member, or employee of the Division of Alcohol and Gambling
40.29 Enforcement of the Department of Public Safety or the division who places a wager on a
40.30 sporting event, unless the person is a peace officer with the Division of Alcohol and Gambling
40.31 Enforcement who places a wager as part of a criminal or regulatory investigation; or

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

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

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

41.6 (1) the person has previously been convicted of a violation of this section or section
41.7 609.76; or

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

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

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

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

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

41.18 **Subd. 5. Unauthorized acceptance of wagers.** (a) A person licensed under sections
41.19 299L.10 to 299L.80, or an employee of a licensee whose exclusive or primary responsibilities
41.20 involve mobile sports betting, who accepts a wager on a sporting event knowing that the
41.21 wager was made in violation of subdivision 4, paragraph (a) is guilty of a crime and may
41.22 be sentenced as provided in paragraphs (b) to (e).

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

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

41.26 (1) the person has previously been convicted of a violation of this section or section
41.27 609.76; or

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

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

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

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

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

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

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

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

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

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

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

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

42.23 (3) a valid United States passport;

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

42.26 (5) a Tribal identification;

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

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

42.30 (b) In a prosecution for accepting a wager on a sporting event from a person under the
42.31 age of 21, it is an affirmative defense for the defendant to prove by a preponderance of the

43.1 evidence that the defendant reasonably and in good faith relied upon representations of
 43.2 proof of age authorized in paragraph (a).

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

43.11 Subd. 8. **Advertising and promotion to person under self-imposed restrictions.** A
 43.12 person licensed under sections 299L.10 to 299L.80, or an employee of a licensee whose
 43.13 exclusive or primary responsibilities involve mobile sports betting, is guilty of a gross
 43.14 misdemeanor if the person markets sports betting to another person through a text, a message
 43.15 within a mobile sports betting application, or another direct message to that person during
 43.16 a time that the other person has implemented self-imposed prohibitions on that person
 43.17 participating in sports betting under section 299L.45.

43.18 Sec. 3. Minnesota Statutes 2022, section 609.75, subdivision 3, is amended to read:

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

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

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

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

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

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

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

- 44.1 (7) pari-mutuel betting on horse racing when the betting is conducted under chapter 240;
44.2 ~~and~~
- 44.3 (8) the purchase and sale of State Lottery tickets under chapter 349A; and
- 44.4 (9) sports betting when the betting is conducted pursuant to sections 299L.10 to 299L.80.

44.5 Sec. 4. Minnesota Statutes 2022, section 609.75, subdivision 4, is amended to read:

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

44.14 Sec. 5. Minnesota Statutes 2022, section 609.75, subdivision 7, is amended to read:

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

44.20 Sec. 6. Minnesota Statutes 2022, section 609.75, is amended by adding a subdivision to
44.21 read:

44.22 Subd. 7a. **Sporting event.** "Sporting event" has the meaning given in section 299L.10,
44.23 subdivision 18, and includes any event, such as a game, match, contest, or activity, or series
44.24 of games, matches, contests, activities, or tournaments, involving the athletic skill or
44.25 performance in a video game of one or more players or participants, regardless of whether
44.26 the event is approved by the commissioner to be an event eligible for wagering under sections
44.27 299L.10 to 299L.80.

44.28 Sec. 7. Minnesota Statutes 2022, section 609.755, is amended to read:

44.29 **609.755 GAMBLING; MISDEMEANOR.**

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

- 45.1 (1) makes a bet, other than a bet on a sporting event;
- 45.2 (2) sells or transfers a chance to participate in a lottery;
- 45.3 (3) disseminates information about a lottery, except a lottery conducted by an adjoining
- 45.4 state, with intent to encourage participation therein;
- 45.5 (4) permits a structure or location owned or occupied by the actor or under the actor's
- 45.6 control to be used as a gambling place; or
- 45.7 (5) except where authorized by statute, possesses a gambling device.

45.8 Clause (5) does not prohibit possession of a gambling device in a person's dwelling for

45.9 amusement purposes in a manner that does not afford players an opportunity to obtain

45.10 anything of value.

45.11 Sec. 8. Minnesota Statutes 2022, section 609.76, subdivision 2, is amended to read:

45.12 Subd. 2. **Sports bookmaking.** (a) Whoever makes a bet on a sporting event with a person

45.13 who is not licensed to engage in sports betting under sections 299L.10 to 299L.80 is guilty

45.14 of a misdemeanor if the amount of the wager is no more than \$500.

45.15 (b) Whoever makes a bet on a sporting event with a person who is not licensed to engage

45.16 in sports betting under sections 299L.10 to 299L.80 is guilty of a gross misdemeanor if:

45.17 (1) the person has previously been convicted of a violation of this section or section

45.18 609.76; or

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

45.20 (c) Whoever makes a bet on a sporting event with a person who is not licensed to engage

45.21 in sports betting under sections 299L.10 to 299L.80 is guilty of a felony if the amount of

45.22 the wager is more than \$1,000.

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

45.24 (e) In any prosecution under paragraph (b) or (c), the amount of money wagered within

45.25 any six-month period may be aggregated and the accused charged accordingly in applying

45.26 the provisions of those paragraphs. In addition, when two or more offenses are committed

45.27 by the same person in two or more counties, the accused may be prosecuted in any county

45.28 in which one of the offenses was committed for all of the offenses aggregated under this

45.29 subdivision.

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

46.2 (a) As used in this section:

46.3 (1) "participant in a sporting event" has the meaning given in section 299L.10, subdivision
 46.4 17; and

46.5 (2) "sporting event" has the meaning given in section 299L.10, subdivision 18.

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

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

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

46.17 Sec. 10. **EFFECTIVE DATE.**

46.18 Sections 1 to 9 are effective the day that sports betting becomes lawful under article 1
 46.19 and applies to crimes committed on or after that date.

46.20 **ARTICLE 4**
 46.21 **APPROPRIATIONS**

46.22 Section 1. Minnesota Statutes 2022, section 245.98, subdivision 2, is amended to read:

46.23 Subd. 2. **Program.** The commissioner of human services shall establish a program for
 46.24 the treatment of compulsive gamblers and their families. The commissioner may contract
 46.25 with an entity with expertise regarding the treatment of compulsive gambling to operate the
 46.26 program. The program may include the establishment of a statewide toll-free number,
 46.27 resource library, public education programs; regional in-service training programs and
 46.28 conferences for health care professionals, educators, treatment providers, employee assistance
 46.29 programs, and criminal justice representatives; and the establishment of certification standards
 46.30 for programs and service providers. The commissioner may enter into agreements with
 46.31 other entities and may employ or contract with consultants to facilitate the provision of

47.1 these services or the training of individuals to qualify them to provide these services. The
47.2 program must include up to 60 hours of intervention services for a family member or
47.3 concerned significant other who is a Minnesota resident and is negatively impacted by
47.4 problem or compulsive gambling. The program may also include inpatient and outpatient
47.5 treatment and rehabilitation services for residents in different settings, including a temporary
47.6 or permanent residential setting for mental health or substance use disorder, and individuals
47.7 in jails or correctional facilities. The program may also include research studies. The research
47.8 studies must include baseline and prevalence studies for adolescents and adults to identify
47.9 those at the highest risk. The program must be approved by the commissioner before it is
47.10 established.

47.11 **Sec. 2. STUDY ON MOTIVATIONS AND BELIEFS OF YOUNG ADULT**
47.12 **GAMBLERS; APPROPRIATION.**

47.13 **Subdivision 1. Appropriation.** Notwithstanding any law to the contrary, before the
47.14 distribution required under Minnesota Statutes, section 297J.02, subdivision 7, paragraph
47.15 (b), \$150,000 in fiscal year 2026 is appropriated from the sports betting revenue account
47.16 in the special revenue fund to the commissioner of public safety for a grant to a nonprofit
47.17 organization to conduct a study on the gambling motivations and beliefs of young adult
47.18 gamblers. The commissioner may not use any amount of this appropriation to administer
47.19 the grant. This is a onetime appropriation.

47.20 **Subd. 2. Award.** The commissioner shall award the grant to a nonprofit, gambling-neutral
47.21 organization with experience raising public awareness about problem gambling and providing
47.22 professional training for those who work with problem gamblers.

47.23 **Subd. 3. Focus group.** (a) The grant recipient shall convene a focus group of no more
47.24 than 40 individuals who are at least 18 years of age but not more than 35 years of age and
47.25 who have experience gambling in Minnesota.

47.26 **(b) Membership of the focus group shall reflect the geographical and demographic**
47.27 **diversity of Minnesotans who are 18 to 35 years of age.**

47.28 **(c) The focus group shall identify the reasons that young adults gamble and the ways in**
47.29 **which they engage in gambling, including whether they wager on sporting events; participate**
47.30 **in fantasy sports; purchase lottery tickets; visit casinos; engage in online gambling; participate**
47.31 **in card playing as defined in Minnesota Statutes, section 240.01, subdivision 5; engage in**
47.32 **pari-mutuel betting as defined in Minnesota Statutes, section 240.01, subdivision 14; or**
47.33 **participate in lawful gambling authorized under Minnesota Statutes, chapter 349.**

48.1 Subd. 4. **Qualitative survey.** Following completion of the focus group described in
 48.2 subdivision 3, the grant recipient shall create a qualitative survey from a sample of at least
 48.3 50,000 individuals.

48.4 Subd. 5. **Report.** By January 15, 2027, the grant recipient shall submit a report to the
 48.5 chairs and ranking minority members of the legislative committees with jurisdiction over
 48.6 public safety, the legislative committees with jurisdiction over taxes, the committee in the
 48.7 house of representatives with jurisdiction over commerce, the committee in the senate with
 48.8 jurisdiction over state government finance and policy, the committee in the house of
 48.9 representatives with jurisdiction over ways and means, and the committee in the senate with
 48.10 jurisdiction over finance. The report shall summarize the actions and findings of the grant
 48.11 recipient and shall make recommendations for policies and the use of financial resources
 48.12 to prevent and address problem gambling by young adults.

48.13 Sec. 3. **DEPARTMENT OF PUBLIC SAFETY; APPROPRIATION.**

48.14 \$6,598,000 in fiscal year 2026 is appropriated from the general fund and \$3,952,000 in
 48.15 fiscal year 2027 is appropriated from the sports betting revenue account in the special
 48.16 revenue fund to the commissioner of public safety to perform the duties required to establish
 48.17 and regulate mobile sports betting under Minnesota Statutes, sections 299L.10 to 299L.80.

48.18 Sec. 4. **DEPARTMENT OF REVENUE; APPROPRIATION.**

48.19 \$1,852,000 in fiscal year 2026 is appropriated from the general fund and \$1,633,000 in
 48.20 fiscal year 2027 is appropriated from the sports betting revenue account in the special
 48.21 revenue fund to the commissioner of revenue to perform the duties necessary to establish
 48.22 and enforce the taxation of mobile sports betting.

48.23 **ARTICLE 5**

48.24 **CONFORMING AMENDMENTS**

48.25 Section 1. Minnesota Statutes 2022, section 240.01, subdivision 1b, is amended to read:

48.26 Subd. 1b. **Advance deposit wager.** "Advance deposit wager" means a wager placed
 48.27 through an advance deposit wagering provider on a horse race ~~that is conducted outside of~~
 48.28 ~~the state.~~

48.29 Sec. 2. **[299L.47] HISTORIC HORSE RACING.**

48.30 Subdivision 1. **Definition.** For purposes of this section, "historic horse race" means:

49.1 (1) any horse race, whether running or harness, that was previously conducted at a
 49.2 licensed pari-mutuel facility;

49.3 (2) concluded with official results; and

49.4 (3) concluded without scratches, disqualifications, or dead-heat finishes.

49.5 Subd. 2. **Not authorized.** Nothing in this chapter shall be construed to authorize the
 49.6 approval or use of historic horse race operations either in-person or by means of electronic
 49.7 terminals.

49.8 **ARTICLE 6**

49.9 **SELECTION OF PLATFORM PROVIDERS**

49.10 **Section 1. [299L.78] REQUESTS FOR PROPOSALS FOR PLATFORM**
 49.11 **PROVIDERS.**

49.12 Subdivision 1. **Competitive bidding process.** The commissioner of public safety may
 49.13 issue licenses to platform providers who have been selected for licensure by the commissioner
 49.14 after a competitive bidding process. The commissioner must issue a request for applications
 49.15 within six months from the effective date of this section, with a deadline to submit
 49.16 applications within 30 days of the issuing date of the request for applications. The
 49.17 commissioner of public safety may work with the commissioner of administration to facilitate
 49.18 the bidding process.

49.19 Subd. 2. **Timeline; disqualifications.** The commissioner must evaluate platform providers
 49.20 within 150 days of the due date for applications. The commissioner must disqualify
 49.21 applications from platform providers that do not demonstrate that they meet the requirements
 49.22 for licensure under sections 299L.25 and 299L.29. The commissioner must disqualify an
 49.23 application submitted jointly by more than one competing platform provider.

49.24 Subd. 3. **Application.** The commissioner must determine the form of the application
 49.25 for bidding to be a platform provider. The application must include at least the following
 49.26 information:

49.27 (1) a matrix to indicate the percentage of gross revenue, but not less than 40 percent,
 49.28 from mobile sports wagering that the applicant will pay to the state, for the privilege of
 49.29 licensure if chosen and the percentage of overall mobile sports wagering gaming revenue
 49.30 estimated to be generated, for different scenarios for the number of platform providers and
 49.31 mobile sports betting operators licensed by the commission;

50.1 (2) the number of mobile sports betting operators the applicant will host on its mobile
 50.2 sports betting platform, if the applicant is licensed as a platform provider;

50.3 (3) a description of how the applicant will use technology to ensure all bettors are
 50.4 physically within approved locations within the state, that exclusion lists will be
 50.5 accommodated, and that necessary safeguards against abuses and addictions are in place;

50.6 (4) demonstration that the applicant and any anticipated associated operators possess
 50.7 the qualifications, capabilities, and experience to provide a mobile sports wagering platform;

50.8 (5) a list of all jurisdictions where the applicant and any parent company, and mobile
 50.9 sports wagering operators and their parent companies, have been licensed or otherwise
 50.10 authorized to conduct sports wagering operations;

50.11 (6) information about the platform provider and associated operators model for player
 50.12 acquisition, including details on how the applicant and its associated operators will convert
 50.13 customers from wagering through illegal channels to wagering legally in the state;

50.14 (7) the applicant's proposed timeline for implementing mobile sports wagering from the
 50.15 award of a license; and

50.16 (8) the applicant's plan for integrity monitoring and reporting, including any current
 50.17 affiliations related to integrity monitoring.

50.18 Subd. 4. **Factors for evaluation.** The commissioner must evaluate each applicant on
 50.19 the following factors to determine the ability of the applicant to maximize sustainable,
 50.20 long-term revenue for the state:

50.21 (1) a market analysis detailing the benefits of the applicant's bid with regard to
 50.22 maximizing revenue for the state relative to the amount bet;

50.23 (2) estimates of mobile sports betting gross revenue generated by the applicant under
 50.24 different scenarios and with descriptions of relevant assumptions;

50.25 (3) the percentage of mobile sports betting net revenue to be paid to the state under
 50.26 different scenarios;

50.27 (4) the potential market share of the mobile sports betting operator or operators under
 50.28 different scenarios and with descriptions of relevant assumptions;

50.29 (5) plans of the applicant and each associated operator for advertising and promoting
 50.30 mobile sports betting to ensure that they are not overly aggressive in marketing and promotion
 50.31 and to avoid any promotion that increases the scope of problem gambling;

50.32 (6) experience and expertise in the market of the applicant and each associated operator;

51.1 (7) a demonstration of how and to what degree the applicant fosters racial, ethnic, and
51.2 gender diversity in its workforce;

51.3 (8) a timeline to implement mobile sports betting from award of license;

51.4 (9) any other factors that could impact the integrity, sustainability, or safety of mobile
51.5 sports betting; and

51.6 (10) any other factors that could impact revenue to the state.

51.7 Subd. 5. **License awards to highest scoring applications.** The commissioner must
51.8 award a license to the two platform providers that meet licensing criteria in sections 299L.25
51.9 and 299L.29, and who score the highest in the commissioner's evaluation of the factors in
51.10 subdivision 4.

51.11 Subd. 6. **Additional licenses.** The commissioner may award additional licenses to
51.12 platform providers that meet licensing criteria in sections 299L.25 and 299L.29, if the
51.13 commissioner determines that additional licenses would be in the best interest of the state.

51.14 Subd. 7. **Tax rate.** The tax rate or rates to be paid will be the highest percentage of sports
51.15 betting net revenue, as defined in section 297J.01, clause (6), from mobile sports wagering
51.16 that is bid by either of the two highest rated platform providers who are awarded licenses
51.17 under subdivision 5. All licensed platform providers will pay the same tax rate or rates. The
51.18 rates bid may vary based on the number of mobile sports betting operators through which
51.19 the platform provider will contract to offer mobile sports betting. The tax rate as a percentage
51.20 of sports betting net revenue from mobile sports wagering may not be lower than 40 percent.

51.21 Subd. 8. **Operators.** The commissioner should attempt to ensure that the mobile sports
51.22 betting operators that meet license requirements under sections 299L.25 and 299L.28 provide
51.23 mobile sports betting in the state.

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

51.25 Sec. 2. **[299L.95] FELONY TO COLLUDE OR COOPERATE.**

51.26 It shall be a felony for two or more platform providers, including those working on their
51.27 behalf, to communicate in any manner related to anything related to their bids or applications
51.28 for licenses under this act prior to selection of license awards.