

1.1 Senator moves to amend S.F. No. 1949 as follows:

1.2 Page 31, line 9, delete "ten percent" and insert "the rate determined pursuant to section
1.3 299L.78, subdivision 7,"

1.4 Page 50, after line 20, insert:

1.5 "ARTICLE 6

1.6 SELECTION OF PLATFORM PROVIDERS

1.7 Section 1. [299L.78] REQUESTS FOR PROPOSALS FOR PLATFORM
1.8 PROVIDERS.

1.9 Subdivision 1. **Competitive bidding process.** The commissioner of public safety may
1.10 issue licenses to platform providers who have been selected for licensure by the commissioner
1.11 after a competitive bidding process. The commissioner must issue a request for applications
1.12 within six months from the effective date of this section, with a deadline to submit
1.13 applications within 30 days of the issuing date of the request for applications. The
1.14 commissioner of public safety may work with the commissioner of administration to facilitate
1.15 the bidding process.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.27 Amend the title accordingly

