

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 1949

(SENATE AUTHORS: KLEIN, Hawj and Kunesh)		
DATE	D-PG	OFFICIAL STATUS
02/20/2023	920	Introduction and first reading Referred to State and Local Government and Veterans
02/21/2023	993	Author added Kunesh
03/01/2023	1207	Withdrawn and re-referred to Commerce and Consumer Protection
03/13/2023	1614a	Comm report: To pass as amended and re-refer to Health and Human Services
03/16/2023	1806	Comm report: To pass and re-referred to Judiciary and Public Safety
03/27/2023	2721a	Comm report: To pass as amended and re-refer to State and Local Government and Veterans
05/10/2023	7155a	Comm report: To pass as amended and re-refer to Taxes Joint rule 2.03, referred to Rules and Administration
05/11/2023	7409	Comm report: Adopt previous comm report Jt rule 2.03 suspended
05/12/2023	7910a	Comm report: To pass as amended and re-refer to Finance
02/19/2024	11661	Withdrawn and re-referred to Commerce and Consumer Protection
03/07/2024	11952a	Comm report: To pass as amended and re-refer to Taxes

1.1

A bill for an act

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

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

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providing civil and criminal penalties; providing for amateur sports grants; requiring

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reports; appropriating money; amending Minnesota Statutes 2022, sections 240.01,

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subdivision 1b; 245.98, subdivision 2; 260B.007, subdivision 16; 609.75,

1.7

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

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proposing coding for new law in Minnesota Statutes, chapters 240A; 299L; 609;

1.9

proposing 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

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meanings given them.

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

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

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

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

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

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by an elementary, middle, or high school, or by any youth activity sports program, league,

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or clinic;

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) the Fond du Lac Band;

(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,
4.16 college sports event, or other event approved by the commissioner to be an event eligible
4.17 for wagering under this 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, amateur sports organization, or a postsecondary educational institution or
4.22 group of postsecondary educational institutions; and

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

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

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

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

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

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

Subd. 21. Sports governing body. "Sports governing body" means an organization that prescribes and enforces final rules and codes of conduct for a sporting event and participants engaged in the sport. For a sporting event sanctioned by a higher education institution, "sports governing body" means the athletic conference to which the institution belongs. For an esports, "sports governing body" means the video game publisher of the title used in the esports competition.

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

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

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

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

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

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

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

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

6.6 (2) promote public safety and welfare; and

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

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

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

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

6.14 (3) the calculation of sports betting net revenue and standards for daily counting and
6.15 recording of cash and cash equivalents received in the conduct of sports betting;

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

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

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

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

6.27 (8) the appropriate standards and practices to prevent and address compulsive and
6.28 problem gambling;

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

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

7.2 (11) the requirements for obtaining and retaining mobile sports betting operator licenses,
7.3 mobile sports betting platform provider licenses, and sports wagering supplier licenses,
7.4 including requirements for criminal and financial background checks, financial disclosure
7.5 and auditing requirements, data practices and security requirements, bonding or other surety
7.6 requirements, and the conduct of inspections;

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

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

7.12 (14) the requirements for employees of mobile sports betting operators whose exclusive
7.13 or primary responsibilities involve mobile sports betting, including minimum age
7.14 requirements, criminal background checks, and retention of documents related to the
7.15 employees;

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

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

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

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

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

7.28 (17) the requirements for monitoring patterns of wagering to identify behaviors consistent
7.29 with problem gambling and the appropriate actions to take when problem gambling is
7.30 suspected, including pausing or suspending activities from an identified mobile sports betting
7.31 account; and

8.1 (18) the appropriate limits, standards, and requirements necessary to prevent excessive
8.2 wagering by an individual whose ability to control impulsive wagering is impaired in any
8.3 way.

8.4 (b) Rules for which notice is published in the State Register before January 1, 2024,
8.5 may be adopted using the expedited rulemaking process in section 14.389.

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

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

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

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

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

8.26 (d) If the commissioner determines that the sports governing body has shown good cause
8.27 to support the requested prohibition or restriction, the commissioner shall adopt the
8.28 prohibition or restriction and send notice of the prohibition or restriction to every mobile
8.29 sports betting operator. If the commissioner determines that the sports governing body has
8.30 not shown good cause to support the requested prohibition or restriction, the commissioner
8.31 shall provide the sports governing body with notice and an opportunity for a hearing to offer
8.32 further evidence in support of its request. The commissioner shall provide the mobile sports
8.33 betting operators with notice of the hearing and an opportunity to participate.

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

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

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

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

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

9.23 Subd. 8. **Mobile sports betting start date.** The commissioner shall designate a start
9.24 date for mobile sports betting that is not later than November 15, 2023. No person shall
9.25 offer mobile sports betting in this state before the start date. All applicants for a mobile
9.26 sports betting operator or mobile sports betting platform provider license that have submitted
9.27 an application within 30 days of the date on which the commissioner begins to accept mobile
9.28 sports betting operator or mobile sports betting platform provider license applications shall
9.29 be given an equal opportunity to first commence offering, conducting, and operating mobile
9.30 sports betting in this state on the same day.

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

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

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

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

10.2 (3) sports betting supplier licenses.

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

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

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

10.8 Subdivision 1. General requirements. (a) A licensee or applicant must meet each of
10.9 the following requirements, if applicable, to hold or receive a license issued under sections
10.10 299L.10 to 299L.80:

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

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

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

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

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

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

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

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

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

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

10.31 (2) is a crime involving gambling; or

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

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

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

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

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

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

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

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

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

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

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

12.26 (2) the type of license being sought;

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

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

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

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

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

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

13.9 or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15.27 Subdivision 1. **Issuance.** The commissioner may issue up to 11 mobile sports betting
15.28 platform provider licenses that are valid for three years. A mobile sports betting platform
15.29 provider may be renewed under conditions required by rule adopted pursuant to section
15.30 299L.15.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17.3 (2) investment funds or entities registered with the Securities and Exchange Commission,
17.4 including any investment advisors or entities under the management of an entity registered
17.5 with the Securities and Exchange Commission, that are direct or indirect shareholders of
17.6 the applicant.

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

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

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

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

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

17.24 Sec. 12. **[299L.36] DEPOSIT AND APPROPRIATION OF FEES.**

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

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

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

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

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

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

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

Subd. 3. Advertising content. (a) All advertisements for mobile sports betting must display "1-800-GAMBLER" or other national toll-free numbers approved by the commissioner for information and referral services for compulsive and problem gambling and must provide a warning, as specified by the commissioner, that gambling may be addictive and may cause financial hardship.

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

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

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

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

(c) Partnerships between mobile sports betting operators or mobile sports betting platform providers and colleges or universities shall not include any component that advertises, markets, or promotes sports betting activity unless such partnerships are exclusively with alumni networks or are content that is exclusively focused on responsible gambling education or problem gambling awareness.

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

(e) No advertising, marketing, or other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of a mobile sports betting operator or mobile sports betting platform provider for sports betting shall be published, aired, displayed, disseminated, or distributed:

(1) on any college or university campus property, unless that advertising is generally available and primarily directed at an audience outside of college and campus; or

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

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

Subd. 4. **Prohibition on false or misleading claims.** No licensee or other person shall publish or cause to be published an advertisement for mobile sports betting that contains false or misleading claims or which contains statements, words, or pictures of an obscene, indecent, or immoral character, or such as would offend public morals or decency.

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

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

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

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

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

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

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

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

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

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

20.7 (1) player injuries;

20.8 (2) penalties;

20.9 (3) the outcome of player disciplinary rulings;

20.10 (4) replay reviews; or

20.11 (5) in-game betting.

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

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

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

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

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

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

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

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

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

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

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

21.17 Subd. 6. **Wager location.** Mobile sports betting wagers regulated under sections 299L.10
21.18 to 299L.80 may only be accepted from a person placing a wager online, through a website
21.19 or mobile application, while the person placing the wager is physically within the state. The
21.20 website or application may be hosted by a mobile sports betting operator operating in
21.21 conjunction with a mobile sports betting platform provider. The incidental routing of a
21.22 mobile sports wager shall not determine the location or locations in which the wager is
21.23 initiated, received, or otherwise made.

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

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

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

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

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

22.3 (3) the amount wagered; and

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

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

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

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

22.16 Mobile sports betting operators and mobile sports betting platform providers are
22.17 prohibited from sending a message from a mobile sports betting application or website that
22.18 appears on a user's device while the application or website is inactive unless the user opts-in
22.19 to receiving such messages or the message is sent to notify the user of potentially fraudulent
22.20 activity associated with the user's mobile sports betting account.

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

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

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

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

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

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

(b) A person who has requested to be on the exclusion list may specify a time limit of one or five years or for the person's lifetime for the person's name to be on the list. The commissioner will remove the person's name from the list at the conclusion of the specified time. A person whose name was added to the exclusion list under paragraph (a) due to a concern regarding the person's compulsive gambling may be removed from the list before the specified time by providing proof of completion of a program approved by the commission to address compulsive gambling.

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

(d) A mobile platform provider must provide a user the opportunity to request to be on the exclusion list for a specified time of one or five years or for the person's lifetime. The platform provider must report the request to the commissioner and the commissioner must immediately add the person's name and exclusion request to the list maintained under this section.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24.21 (1) \$500 is the default amount of losses a person can incur in a 24-hour period before
24.22 the person is prohibited from wagering;

24.23 (2) \$3,000 is the default limit on the amount a person can lose in a 30-day period before
24.24 the person is prohibited from wagering;

24.25 (3) \$500 is the default maximum amount a person may deposit into the person's mobile
24.26 sports betting account in a 24-hour period;

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

24.29 (5) 72 hours is the default length of a cooling-off period if a person requests a cooling-off
24.30 period during which time wagers from the person cannot be accepted.

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

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

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

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

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

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

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

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

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

Subdivision 1. **Responsibility for satisfying winning wagers.** A wager on a sporting event placed with a mobile sports betting operator or mobile sports betting platform provider is an enforceable contract. A mobile sports betting operator or mobile sports betting platform provider who accepts a wager bears all risk of loss to satisfy winnings on the wager. A

26.1 wager that is not redeemed within one year of the outcome that is the subject of the wager
26.2 may be canceled by the mobile sports betting operator or the mobile sports betting platform
26.3 provider.

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

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

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

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

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

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

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

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

26.32 (b) If any unusual betting activity is deemed by independent integrity monitoring provider
26.33 to have risen to the level of suspicious betting activity, then the independent integrity

27.1 monitoring provider shall immediately report the suspicious activity to the commissioner,
27.2 all mobile sports betting operator or mobile sports betting platform provider licensees that
27.3 contract with that integrity provider, and the sports governing body that governs the sporting
27.4 event on which the suspicious activity was deemed to have taken place.

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

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

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

27.21 Subdivision 1. **Record retention.** (a) Mobile sports betting operators or mobile sports
27.22 betting platform providers shall maintain records of all bets and wagers placed, including
27.23 personally identifiable information of an authorized participant, amount and type of wager,
27.24 time the wager was placed, location of the wager, including IP address if applicable, the
27.25 outcome of the wager, and records of abnormal betting activity for three years after the
27.26 sporting event occurs.

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

27.30 Subd. 2. **Anonymization required.** Mobile sports betting operators or mobile sports
27.31 betting platform providers shall use commercially reasonable efforts to maintain in real
27.32 time and at the account level anonymized information regarding an authorized participant,
27.33 amount and type of wager, the time the wager was placed, the location of the wager, including
27.34 the IP address if applicable, the outcome of the wager, and records of abnormal betting

activity. Nothing in this section shall require a mobile sports betting operator and mobile sports betting platform provider to provide any information that is prohibited by federal, state, or local laws or regulations, including laws and regulations relating to privacy and personally identifiable information.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 4. Notice of violation; administrative orders; request for reconsideration; demand for hearing. (a) The commissioner may issue an administrative order to any licensee who has committed a violation. The order may require the licensee to correct the violation or to cease and desist from committing the violation and may impose civil penalties.

30.1 The order must state the deficiencies that constitute a violation, the time by which the
30.2 violation must be corrected, and the amount of any civil penalty.

30.3 (b) If the licensee believes the information in the administrative order is in error, the
30.4 licensee may ask the commissioner to reconsider any parts of the order that are alleged to
30.5 be in error. The request must be in writing, delivered to the commissioner by certified mail
30.6 within seven days after receipt of the order, and provide documentation to support the
30.7 allegation of error. The commissioner must respond to a request for reconsideration within
30.8 15 days after receiving the request. A request for reconsideration does not stay the order
30.9 unless the commissioner issues a supplemental order granting additional time. The
30.10 commissioner's disposition of a request for reconsideration is final.

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

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

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

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

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

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

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

31.5 Subdivision 1. **Financial report.** By June 1 of each year, the commissioner must submit
31.6 a report to the chairs and ranking minority members of the legislative committees with
31.7 jurisdiction over public safety, the legislative committees with jurisdiction over taxes, the
31.8 committee in the house of representatives with jurisdiction over commerce, the committee
31.9 in the senate with jurisdiction over state government finance and policy, the committee in
31.10 the house of representatives with jurisdiction over ways and means, and the committee in
31.11 the senate with jurisdiction over finance. The report must describe the activities of the
31.12 commissioner with respect to wagering on sporting events and include summary financial
31.13 information on sports betting and the regulated sports betting industry as a whole. The report
31.14 must not include information or data on individuals or entities that is classified as private
31.15 data under section 299L.70 or separately list the earnings, wagers, or tax revenue generated
31.16 by or use identifying information for specific mobile sports betting operators.

31.17 Subd. 2. **License activity report.** By February 1 of each year beginning in 2024, the
31.18 commissioner shall submit a report to the chairs and ranking minority members of the
31.19 committees in the house of representatives and the senate with jurisdiction over public
31.20 safety, the committee in the house of representatives with jurisdiction over commerce, and
31.21 the committee in the senate with jurisdiction over state government finance and policy on
31.22 the following:

31.23 (1) the status of applications for licenses issued by the commissioner, including the
31.24 number of applications for each type of license, the number of licenses of each type issued,
31.25 and the average time between receipt of a complete application and issuance of each type
31.26 of license;

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

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

31.31 (4) the commissioner's enforcement actions taken against persons licensed under sections
31.32 299L.10 to 299L.80 for licensing violations, including violations of the rules adopted under
31.33 section 299L.15.

32.1 Sec. 23. **[299L.655] STUDY ON THE PREVALENCE OF GAMBLING;**
32.2 **APPROPRIATION.**

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

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

32.10 Subd. 3. **Appropriations.** Notwithstanding any law to the contrary, before the distribution
32.11 required under section 297J.02, subdivision 7, paragraph (d), \$..... is appropriated from
32.12 the sports betting revenue account in the special revenue fund to the commissioner of public
32.13 safety for the study required in subdivision 2. The commissioner may contract with a third
32.14 party to conduct the study.

32.15 Sec. 24. **[299L.6556] STUDY ON THE IMPACT OF SPORTS BETTING ON**
32.16 **PROBLEM GAMBLING, GAMBLING DISORDERS, YOUTH GAMBLING, AND**
32.17 **SUICIDE.**

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

32.22 Sec. 25. **[299L.70] DATA PROTECTIONS.**

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

32.31 Subd. 2. **Sale of private data on individuals.** The commissioner shall revoke any license
32.32 issued under sections 299L.10 to 299L.80 of a person who sells data on individuals that

33.1 would be classified as private under subdivision 1 collected through the practice of sports
33.2 betting, unless sharing of that data is otherwise allowed in this act.

33.3 Sec. 26. **[299L.75] LOCAL RESTRICTIONS; PROHIBITION ON LOCAL TAXES**
33.4 **OR FEES.**

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

33.7 Sec. 27. **[299L.80] REVIEW OF OTHER STATES' RESTRICTIONS.**

33.8 The commissioner must review the laws of other states in which wagering on sports is
33.9 regulated to identify restrictions and safeguards on sports wagering that would be advisable
33.10 to ensure the integrity of sports betting and to provide effective safety measures to protect
33.11 people with a gambling disorder or who are at risk of developing a gambling disorder. The
33.12 commissioner must adopt rules to implement the restrictions and safeguards the commissioner
33.13 identifies from other states as advisable under this section. By January 15 of each year, the
33.14 commissioner shall report to the chairs and ranking minority members of the committees
33.15 in the house of representatives and the senate with jurisdiction over sports wagering on
33.16 advisable restrictions and safeguards, including draft legislation to implement the additional
33.17 restrictions or safeguards.

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

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

33.23 Sec. 29. **APPROPRIATIONS.**

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

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

ARTICLE 2

TAXATION OF SPORTS BETTING

Section 1. [297J.01] DEFINITIONS.

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

(1) "casino" has the meaning given in section 299L.10, subdivision 4;

(2) "commissioner" means the commissioner of revenue;

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

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

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

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

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

(ii) the cash equivalent of noncash prizes paid out as winnings in the month, except that for purposes of calculating sports betting net revenue, cash and cash equivalents received in a month by a mobile sports betting operator or mobile sports betting platform provider from wagers on sporting events does not include cash and cash equivalents received by a mobile sports betting operator or mobile sports betting platform provider for activities other than sports betting or excise taxes paid to the federal government; and

(7) "wager" has the meaning given in section 299L.10, subdivision 21.

EFFECTIVE DATE. This section is effective for sports betting net revenue received after June 30, 2024.

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

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

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

35.1 Subd. 2. **Sports betting net revenue tax in lieu of other taxes.** (a) Income derived by
35.2 a mobile sports betting operator or mobile sports betting platform provider from the conduct
35.3 of wagering on a sporting event is not subject to the tax imposed in chapter 290. Wagers
35.4 accepted by a mobile sports betting operator are not subject to the tax imposed in section
35.5 297A.62 or 297E.03.

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

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

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

35.21 Subd. 5. **Refunds.** A person who has, under this chapter, paid to the commissioner an
35.22 amount of tax for a period in excess of the amount legally due for that period may file with
35.23 the commissioner a claim for a refund of the excess. The amount necessary to pay the refunds
35.24 under this subdivision is appropriated from the sports betting revenue account established
35.25 in subdivision 7 to the commissioner.

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

35.29 Subd. 7. **Distribution of funds.** (a) The sports betting revenue account is established in
35.30 the special revenue fund. All amounts collected by the commissioner under this chapter
35.31 must be deposited in the account and distributed as provided in this subdivision. Any money
35.32 remaining in the account at the end of each fiscal year does not cancel. Interest and income
35.33 earned on money in the account, after deducting any applicable charges, shall be credited
35.34 to the account. After deducting any amounts necessary to pay the refunds under subdivision

36.1 5, and any appropriations made from the account for the next fiscal year, the money shall
36.2 be distributed as provided in paragraphs (b) to (d).

36.3 (b) An amount not to exceed 30 percent is annually appropriated to the Minnesota Racing
36.4 Commission for the purposes of paragraph (d), until the total amount appropriated under
36.5 this paragraph equals \$20,000,000.

36.6 (c) Beginning with the first fiscal year after the fiscal year in which \$20,000,000 has
36.7 been appropriated under paragraph (b), \$3,000,000 is annually appropriated to the Minnesota
36.8 Racing Commission for the purposes in paragraph (d).

36.9 (d) Money appropriated under paragraphs (b) and (c) must be granted in equal amounts
36.10 to race tracks listed under section 240.06 for the following purposes:

36.11 (1) purse supplements for races to be conducted exclusively for Minnesota-bred horses;

36.12 (2) breeders' awards for Minnesota-bred thoroughbred, standardbred, quarter horse, and
36.13 Arabian horses;

36.14 (3) to pay reimbursements to the commission for the cost of providing state stewards;

36.15 (4) to assist in the transition of Minnesota-bred horses into retirement;

36.16 (5) to fund research projects conducted by persons affiliated with a university or
36.17 governmental research agency or institution related to equine illness and disease,
36.18 performance-related accidents and injuries, and improvements of breeding techniques;

36.19 (6) to fund mental health programs for jockeys, stewards, and backstretch employees
36.20 who have direct involvement with the care and preparation of racing horses; and

36.21 (7) to pay for increases in compensation to backstretch employees who have direct
36.22 involvement with the care and preparation of racing horses.

36.23 (e) Of the amount remaining in the sports betting revenue account after the appropriations
36.24 in paragraphs (b) and (c) have been made:

36.25 (1) 50 percent is appropriated to the commissioner of human services of which half is
36.26 for the compulsive gambling treatment program established under section 245.98, and half
36.27 is for a grant to the state affiliate recognized by the National Council on Problem Gambling
36.28 to be used to increase public awareness of problem gambling, provide education and training
36.29 for individuals and organizations providing effective treatment services to problem gamblers
36.30 and their families, and research relating to problem gambling. Funds provided to the
36.31 commissioner of human services for the compulsive gambling treatment program must also
36.32 be available for up to 60 hours of intervention services for a family member or concerned

significant other who is a Minnesota resident and is negatively impacted by problem or compulsive gambling. Money appropriated by this clause must supplement and must not replace existing state funding for these programs; and

(2) 50 percent shall be transferred to the amateur sports integrity and participation account established pursuant to section 240A.15, subdivision 1.

(f) By February 1 of every odd-numbered year, the Minnesota Racing Commission must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over pari-mutuel horse racing and sports wagering authorized in chapter 299L, detailing grants made under paragraph (d).

EFFECTIVE DATE. This section is effective for sports betting net revenue received after June 30, 2024, except that subdivision 7 is effective July 1, 2023, and applies to license and renewal fees received after June 30, 2023, and sports betting net revenue received after June 30, 2024.

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

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

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

EFFECTIVE DATE. This section is effective for sports betting net revenue received after June 30, 2024.

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

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

38.4 **EFFECTIVE DATE.** This section is effective for sports betting net revenue received
38.5 after June 30, 2024.

38.6 **ARTICLE 3**

38.7 **CRIMES RELATED TO SPORTS BETTING**

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

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

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

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

38.17 (1) a misdemeanor-level violation of section 518B.01, 588.20, 609.224, 609.2242,
38.18 609.324, subdivision 2 or 3, 609.5632, 609.576, 609.66, 609.746, 609.748, 609.79, or
38.19 617.23;

38.20 (2) a major traffic offense or an adult court traffic offense, as described in section
38.21 260B.225;

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

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

38.30 (d) A child who commits a juvenile petty offense is a "juvenile petty offender." The
38.31 term juvenile petty offender does not include a child alleged to have violated any law relating

to being hired, offering to be hired, or agreeing to be hired by another individual to engage in sexual penetration or sexual conduct which, if committed by an adult, would be a misdemeanor.

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

Subdivision 1. Definitions. As used in this section:

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

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

(i) is not available to the general public;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

41.1 Subd. 5. **Unauthorized acceptance of wagers.** (a) A person licensed under sections
41.2 299L.10 to 299L.80, or an employee of a licensee whose exclusive or primary responsibilities
41.3 involve mobile sports betting, who accepts a wager on a sporting event knowing that the
41.4 wager was made in violation of subdivision 4, paragraph (a) is guilty of a crime and may
41.5 be sentenced as provided in paragraphs (b) to (e).

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

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

41.9 (1) the person has previously been convicted of a violation of this section or section
41.10 609.76; or

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

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

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

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

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

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

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

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

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

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

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

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

(3) a valid United States passport;

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

(5) a Tribal identification;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

43.28 Subd. 7a. **Sporting event.** "Sporting event" has the meaning given in section 299L.10,
43.29 subdivision 18, and includes any event, such as a game, match, contest, or activity, or series
43.30 of games, matches, contests, activities, or tournaments, involving the athletic skill or
43.31 performance in a video game of one or more players or participants, regardless of whether

44.1 the event is approved by the commissioner to be an event eligible for wagering under sections
44.2 299L.10 to 299L.80.

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

44.4 **609.755 GAMBLING; MISDEMEANOR.**

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

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

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

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

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

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

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

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

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

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

44.22 (1) the person has previously been convicted of a violation of this section or section
44.23 609.76; or

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

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

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

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

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

(a) As used in this section:

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

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

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

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

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

Sec. 10. **EFFECTIVE DATE.**

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

ARTICLE 4

AMATEUR SPORTS GRANTS; APPROPRIATIONS

Section 1. [240A.15] GRANTS FOR PROMOTING INTEGRITY AND PARTICIPATION.

Subdivision 1. Account established; appropriation. The amateur sports integrity and participation account is established in the special revenue fund. The account shall consist of the amount deposited pursuant to section 297J.02, subdivision 7, paragraph (d). The amounts deposited into the account are appropriated to the Minnesota Amateur Sports Commission to make grants under this section. The Minnesota Amateur Sports Commission may retain four percent of the total appropriation to administer the grants.

Subd. 2. Grants to promote the integrity of amateur sports. (a) The Minnesota Amateur Sports Commission shall use 20 percent of the amount deposited in the amateur sports integrity and participation account in the previous fiscal year to award grants to collegiate and amateur sports associations, including institutions of higher education, to promote the integrity of amateur sports.

(b) Grant recipients may use funds to:

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

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

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

(4) provide problem gambling prevention education;

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

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

(c) By September 1 of each year, individuals or organizations that received a grant in the previous fiscal year shall provide a report in a form and manner established by the Minnesota Amateur Sports Commission describing the way in which grant funds were used

47.1 and providing any additional information required by the Minnesota Amateur Sports
47.2 Commission.

47.3 Subd. 3. **Grants to promote and facilitate participation in youth sports.** (a) The
47.4 Minnesota Amateur Sports Commission shall use 80 percent of the amount deposited in the
47.5 amateur sports integrity and participation account in the previous fiscal year to award grants
47.6 to organizations to promote and facilitate participation in youth sports in areas that have
47.7 experienced a disproportionately high rate of juvenile crime.

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

47.13 (c) Grant recipients may use funds to:

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

47.15 (2) improve facilities for youth sports;

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

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

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

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

47.27 Subd. 4. **Annual report.** By January 15 of each year, the Minnesota Amateur Sports
47.28 Commission must submit a report to the chairs and ranking minority members of the
47.29 legislative committees with jurisdiction over public safety, the legislative committees with
47.30 jurisdiction over taxes, the committee in the house of representatives with jurisdiction over
47.31 commerce, the committee in the senate with jurisdiction over state government finance and
47.32 policy, the committee in the house of representatives with jurisdiction over ways and means,
47.33 and the committee in the senate with jurisdiction over finance. The report must identify the

grants issued under this section since the previous report, including the individual or organization that received the grant, the amount awarded, and the purpose of the grant. The report must also compile and provide the annual reports received from grantees.

Sec. 2. Minnesota Statutes 2022, section 245.98, subdivision 2, is amended to read:

Subd. 2. **Program.** The commissioner of human services shall establish a program for the treatment of compulsive gamblers and their families. The commissioner may contract with an entity with expertise regarding the treatment of compulsive gambling to operate the program. The program may include the establishment of a statewide toll-free number, resource library, public education programs; regional in-service training programs and conferences for health care professionals, educators, treatment providers, employee assistance programs, and criminal justice representatives; and the establishment of certification standards for programs and service providers. The commissioner may enter into agreements with other entities and may employ or contract with consultants to facilitate the provision of these services or the training of individuals to qualify them to provide these services. The program must include up to 60 hours of intervention services for a family member or concerned significant other who is a Minnesota resident and is negatively impacted by problem or compulsive gambling. The program may also include inpatient and outpatient treatment and rehabilitation services for residents in different settings, including a temporary or permanent residential setting for mental health or substance use disorder, and individuals in jails or correctional facilities. The program may also include research studies. The research studies must include baseline and prevalence studies for adolescents and adults to identify those at the highest risk. The program must be approved by the commissioner before it is established.

Sec. 3. **STUDY ON MOTIVATIONS AND BELIEFS OF YOUNG ADULT GAMBLERS; APPROPRIATION.**

Subdivision 1. **Appropriation.** Notwithstanding any law to the contrary, before the distribution required under Minnesota Statutes, section 297J.02, subdivision 7, paragraph (d), \$150,000 in fiscal year 2024 is appropriated from the sports betting revenue account in the special revenue fund to the commissioner of public safety for a grant to a nonprofit organization to conduct a study on the gambling motivations and beliefs of young adult gamblers. The commissioner may not use any amount of this appropriation to administer the grant. This is a onetime appropriation.

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

49.4 Subd. 3. **Focus group.** (a) The grant recipient shall convene a focus group of 40
49.5 individuals who are at least 18 years of age but not more than 35 years of age and who have
49.6 experience gambling in Minnesota.

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

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

49.15 Subd. 4. **Qualitative survey.** Following completion of the focus group described in
49.16 subdivision 3, the grant recipient shall create a qualitative survey and obtain responses from
49.17 a sample of at least 50,000 individuals.

49.18 Subd. 5. **Report.** By January 15, 2025, the grant recipient shall submit a report to the
49.19 chairs and ranking minority members of the legislative committees with jurisdiction over
49.20 public safety, the legislative committees with jurisdiction over taxes, the committee in the
49.21 house of representatives with jurisdiction over commerce, the committee in the senate with
49.22 jurisdiction over state government finance and policy, the committee in the house of
49.23 representatives with jurisdiction over ways and means, and the committee in the senate with
49.24 jurisdiction over finance. The report shall summarize the actions and findings of the grant
49.25 recipient and shall make recommendations for policies and the use of financial resources
49.26 to prevent and address problem gambling by young adults.

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

49.28 \$6,598,000 in fiscal year 2024 is appropriated from the general fund and \$3,952,000 in
49.29 fiscal year 2025 is appropriated from the sports betting revenue account in the special
49.30 revenue fund to the commissioner of public safety to perform the duties required to establish
49.31 and regulate mobile sports betting under Minnesota Statutes, sections 299L.10 to 299L.80.

Sec. 5. DEPARTMENT OF REVENUE; APPROPRIATION.

\$1,852,000 in fiscal year 2024 is appropriated from the general fund and \$1,633,000 in fiscal year 2025 is appropriated from the sports betting revenue account in the special revenue fund to the commissioner of revenue to perform the duties necessary to establish and enforce the taxation of mobile sports betting.

ARTICLE 5

CONFORMING AMENDMENTS

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

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

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

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

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

(2) concluded with official results; and

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

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