CAGE

Citizens Against Gambling Expansion

www.mncage.org

March 23, 2026

The Honorable Matt Klein
Chairman, Senate Commerce and Consumer Protection Committee
2105 Minnesota Senate Building
Saint Paul, MN 55155

Dear Chairman Klein and Members of the Committee:

I write today on behalf of the members of Citizens Against Gambling Expansion (CAGE), a Minnesota non-profit organization that opposes all forms of gambling expansion in our state. We strongly support SF 4474, authored by Senator Jordan Rasmussen, which addresses the growing problem of illegal and predatory online "sweepstakes" gambling in Minnesota.

Currently, online gambling is illegal in Minnesota. "Sweepstakes gambling" is online gambling but uses deception to circumvent our state's gambling laws and regulations. These websites employ a dual-currency model using "gold coins" and "sweep coins" to try to justify the gambling that occurs on these sites. They offer free gold coins to players and then sell additional gold coins to extend play and provide players with sweep coins which can then be used to play casino games where the player can win additional sweep coins. Those coins can be cashed out for money or prizes.

Regardless of what these online games call this activity, it is illegal gambling, plain and simple. It is illegal in Minnesota, and we should join the rush of other states to formally clarify our statutes to ensure that our state's gambling regulators can enforce our laws against this fast-growing and predatory form of gambling.

Last year, six U.S. states enacted statutory bans on sweepstakes casino operations and this year, at least 18 states have pending legislative bans or state gambling enforcement action has begun to drive out this deceptive online gambling. In addition, over 100 class action lawsuits have been filed in 2025, most of which allege that sweepstakes casinos constitute illegal gambling and that the operators engage in deceptive practices. Virtually every major online sweepstakes casino operator is facing some litigation action, which increases the need for these online casinos to generate additional volume and wagers in states like Minnesota where enforcement of existing laws remains weak.

Finally, the companies that run sweepstakes casinos understand that they must inundate the internet in their efforts to lure unsuspecting Minnesotans into trying their "luck" on these websites. Most of these online platforms are operated from outside of the United States and they are

extremely profitable: in 2024, it was estimated that sectors of Sweepstakes Casinos collected over $4.6 billion in this rapidly expanding network of online gambling games.

We encourage this committee to pass Senate File 4474 and protect our citizens from these deceptive and predatory operators.

Thank you for your consideration.

Sincerely,

Jack Meeks
Chairman,
Citizens Against Gambling Expansion