

**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03/01/2023	1207	Withdrawn and re-referred to Commerce and Consumer Protection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
	7161	Joint rule 2.03, referred to Rules and Administration
05/11/2023		Comm report: Adopt previous comm report Jt rule 2.03 suspended

1.1 A bill for an act

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

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

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

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

1.6 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;

1.8 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 style="text-align:center">**ARTICLE 1**

1.12 style="text-align:center">**LAWFUL SPORTS BETTING**

1.13 Section 1. 299L.10] DEFINITIONS.

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

1.15 meanings given them.

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

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

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

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

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

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

1.22 or clinic;

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

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

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

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

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

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

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

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

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

2.19 Subd. 8. **Esports event.** "Esports event" means a competition between individuals or
2.20 teams using video games in a game, match, contest, or series of games, matches, or contests,
2.21 or a tournament, or by a person or team against a specified measure of performance which
2.22 is hosted at a physical location or online that meets the following conditions:

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

2.26 (2) spectators are allowed to watch the competition in real time in person or online; and

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

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

2.32 (1) the Fond du Lac Band;

3.1 (2) the Grand Portage Band;

3.2 (3) the Mille Lacs Band;

3.3 (4) the White Earth Band;

3.4 (5) the Bois Forte Band;

3.5 (6) the Leech Lake Band;

3.6 (7) the Red Lake Nation;

3.7 (8) the Upper Sioux Community;

3.8 (9) the Lower Sioux Indian Community;

3.9 (10) the Shakopee Mdewakanton Sioux Community; and

3.10 (11) the Prairie Island Indian Community.

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

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

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

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

3.21 (1) deposits and credits;

3.22 (2) withdrawals;

3.23 (3) mobile sports betting wagers;

3.24 (4) monetary value of winnings;

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

3.27 (6) adjustments to the account;

3.28 (7) promotional activity; and

3.29 (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.

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

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

5.9 Subd. 21. **Sports governing body.** "Sports governing body" means an organization that
5.10 prescribes and enforces final rules and codes of conduct for a sporting event and participants
5.11 engaged in the sport. For a sporting event sanctioned by a higher education institution,
5.12 "sports governing body" means the athletic conference to which the institution belongs.

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

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

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

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

5.25 Subd. 3. **Inapplicability to sports betting on Indian lands.** Sections 299L.10 to 299L.80,
5.26 except for any provisions authorizing the negotiations of Tribal-state compacts, do not apply
5.27 to sports betting conducted exclusively on Indian lands by an Indian Tribe conducted pursuant
5.28 to a Tribal gaming ordinance approved by the National Indian Gaming Commission and a
5.29 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. **Mobile sports betting start date.** The commissioner shall designate a start
 9.12 date for mobile sports betting that is not later than November 15, 2023. No person shall
 9.13 offer mobile sports betting in this state before the start date. All applicants for a mobile
 9.14 sports betting operator or mobile sports betting platform provider license that have submitted
 9.15 an application within 30 days of the date on which the commissioner begins to accept mobile
 9.16 sports betting operator or mobile sports betting platform provider license applications shall
 9.17 be given an equal opportunity to first commence offering, conducting, and operating mobile
 9.18 sports betting in this state on the same day.

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

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

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

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

9.23 (3) sports betting supplier licenses.

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

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

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

9.29 Subdivision 1. **General requirements.** (a) A licensee or applicant must meet each of
 9.30 the following requirements, if applicable, to hold or receive a license issued under sections
 9.31 299L.10 to 299L.80:

10.1 (1) have completed an application for licensure or application for renewal;
 10.2 (2) have paid the applicable application and licensing fees;

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

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

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

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

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

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

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

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

10.21 (2) is a crime involving gambling; or

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

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

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

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

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

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

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

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

12.11 Subdivision 1. **Application; contents.** An application for a license under sections
 12.12 299L.10 to 299L.80 must be submitted on a form prescribed by the commissioner. At a
 12.13 minimum, the application must include:

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

12.17 (2) the type of license being sought;

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

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

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

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

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

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

13.2 or

13.3 (v) has ever knowingly violated a rule or order of the commissioner or a law of Minnesota

13.4 relating to wagering;

13.5 (5) an irrevocable consent statement, signed by the applicant, which states that suits and

13.6 actions limited to the enforcement of this chapter may be commenced against the applicant

13.7 by the commissioner in any court of competent jurisdiction in this state by the service on

13.8 the secretary of state of any summons, process, or pleadings authorized by the laws of this

13.9 state. If any summons, process, or pleadings is served upon the secretary of state, it must

13.10 be by duplicate copies. One copy must be retained in the Office of the Secretary of State

13.11 and the other copy must be forwarded immediately by certified mail to the address of the

13.12 applicant, as shown by the records of the commissioner;

13.13 (6) a declaration that the laws of the state of Minnesota will be followed, including any

13.14 applicable provisions of the Minnesota Human Rights Act, chapter 363A; and

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

13.16 Subd. 2. **Application; process.** (a) Applicants must submit all required information to

13.17 the commissioner on the forms and in the manner prescribed by the commissioner.

13.18 (b) If the commissioner receives an application that fails to provide the required

13.19 information, the commissioner shall issue a deficiency notice to the applicant. The applicant

13.20 shall have ten business days from the date of the deficiency notice to submit the required

13.21 information.

13.22 (c) Failure by an applicant to submit all required information will result in the application

13.23 being rejected.

13.24 (d) Within 90 days of receiving a completed application, the commissioner shall issue

13.25 the appropriate license or send the applicant a notice of rejection setting forth specific

13.26 reasons why the commissioner did not approve the application.

13.27 (e) An applicant whose application is not approved may reapply at any time, but must

13.28 submit a new application and pay an additional application fee.

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

13.30 (a) During the pendency of an application and at any time after a license has been issued,

13.31 an applicant or licensee shall notify the commissioner of any changes to the information

13.32 provided under section 299L.25 or 299L.26.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15.1 (4) include commercially reasonable and practicable mechanisms on its mobile sports
 15.2 betting platform that are designed to detect and prevent the unauthorized use of Internet
 15.3 sports betting accounts and to detect and prevent fraud, money laundering, and collusion,
 15.4 or require a contracted mobile sports betting platform provider to include those commercially
 15.5 reasonable and practicable mechanisms;

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

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

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

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

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

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

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

15.19 Subdivision 1. **Issuance.** The commissioner may issue up to 11 mobile sports betting
 15.20 platform provider licenses that are valid for three years. A mobile sports betting platform
 15.21 provider may be renewed under conditions required by rule adopted pursuant to section
 15.22 299L.15.

15.23 Subd. 2. **Authorized actions.** A mobile sports betting platform provider license entitles
 15.24 the licensee to provide a sports betting platform, sports betting technology, sports betting
 15.25 applications, or associated mobile sports betting hardware, software, or equipment to a
 15.26 mobile sports betting operator.

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

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

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

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

- 16.1 (4) pay a licensing fee after the application is approved in the amount of \$38,250 or a
16.2 license renewal fee of \$25,500; and
- 16.3 (5) meet any other conditions required by rule adopted pursuant to section 299L.15.

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

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

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

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

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

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

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

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

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

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

16.24 (2) investment funds or entities registered with the Securities and Exchange Commission,
16.25 including any investment advisors or entities under the management of an entity registered
16.26 with the Securities and Exchange Commission, that are direct or indirect shareholders of
16.27 the applicant.

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

16.29 Subdivision 1. **Ability to contract with platform providers.** (a) A mobile sports betting
16.30 operator may, but is not required to, contract with a mobile sports betting platform provider

17.1 to provide, create, or operate sports betting platforms, sports betting technology, sports
17.2 betting applications, or associated mobile sports betting hardware, software, or equipment.

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

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

17.10 Subd. 2. **Logo display required.** A mobile sports betting platform provider that has
17.11 contracted with a mobile sports betting operator must clearly display a brand of the mobile
17.12 sports betting operator within its mobile application in addition to any other brand that the
17.13 mobile sports betting platform provider uses to conduct, offer, or play mobile sports betting
17.14 in Minnesota.

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

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

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

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

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

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

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

17.28 Subd. 2. **Prohibition on targeting individuals prohibited from placing wagers.** No
17.29 licensee or other person shall publish or cause to be published an advertisement for mobile
17.30 sports betting that targets individuals who are disqualified, prohibited, or excluded from

18.1 placing a wager on a sporting event for any reason, including being identified on the exclusion
18.2 list identified in section 299L.45, subdivision 1.

18.3 Subd. 3. **Advertising content.** (a) All advertisements for mobile sports betting must
18.4 display "1-800-GAMBLER" or other national toll-free numbers approved by the
18.5 commissioner for information and referral services for compulsive and problem gambling.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19.23 (5) in-game betting;

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

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

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

19.31 (1) player injuries;

20.1 (2) penalties;

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

20.3 (4) replay reviews.

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

20.7 (b) A mobile sports betting account must provide a mechanism for an individual to set
20.8 limits on the amount of time they spend on the mobile sports betting platform, set limits on
20.9 the amount of money they spend on the platform, and self-exclude from using the mobile
20.10 sports betting platform.

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

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

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

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

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

20.29 Subd. 6. **Wager location.** Mobile sports betting wagers regulated under sections 299L.10
20.30 to 299L.80 may only be accepted from a person placing a wager online, through a website
20.31 or mobile application, while the person placing the wager is physically within the state. The
20.32 website or application may be hosted by a mobile sports betting operator operating in
20.33 conjunction with a mobile sports betting platform provider. The incidental routing of a

21.1 mobile sports wager shall not determine the location or locations in which the wager is
21.2 initiated, received, or otherwise made.

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

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

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

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

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

21.15 (3) the amount wagered; and

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

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

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

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

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

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

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

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

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

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

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

22.11 (b) A person who has requested to be on the exclusion list may specify a time limit of
22.12 one, three, or five years for the person's name to be on the list. The commissioner will
22.13 remove the person's name from the list at the conclusion of the specified time. A person
22.14 may be removed from the list before the specified time by providing proof of completion
22.15 of a class approved by the commission to address compulsive gambling.

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

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

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

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

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

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

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

23.6 Subd. 3. **Prohibition on accepting wagers.** (a) A mobile sports betting operator or
23.7 mobile sports betting platform provider shall not knowingly accept a wager from a person
23.8 on the exclusion list or allow a person on the exclusion list to establish a mobile sports
23.9 betting account.

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

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

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

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

23.19 Subdivision 1. **Responsibility for satisfying winning wagers.** A wager on a sporting
23.20 event placed with a mobile sports betting operator or mobile sports betting platform provider
23.21 is an enforceable contract. A mobile sports betting operator or mobile sports betting platform
23.22 provider who accepts a wager bears all risk of loss to satisfy winnings on the wager. A
23.23 wager that is not redeemed within one year of the outcome that is the subject of the wager
23.24 may be canceled by the mobile sports betting operator or the mobile sports betting platform
23.25 provider.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26.29 Subd. 2. **Authority to act.** (a) The commissioner may issue administrative orders, impose
 26.30 civil penalties, and suspend, revoke, or not renew a license issued pursuant to sections
 26.31 299L.10 to 299L.80 if the commissioner determines that a licensee has committed or is
 26.32 about to commit a violation of those sections or rules adopted pursuant to those sections,
 26.33 or if the commissioner determines that the licensee is disqualified or ineligible to hold a

27.1 license pursuant to section 299L.25 or 299L.26. A conviction for a violation of section
 27.2 299L.80 is not required for the commissioner to take action on a violation.

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

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

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

27.12 (2) the licensee has not timely filed a tax return or paid the tax required under chapter
 27.13 297J; or

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

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

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

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

27.26 (b) If the licensee believes the information in the administrative order is in error, the
 27.27 licensee may ask the commissioner to reconsider any parts of the order that are alleged to
 27.28 be in error. The request must be in writing, delivered to the commissioner by certified mail
 27.29 within seven days after receipt of the order, and provide documentation to support the
 27.30 allegation of error. The commissioner must respond to a request for reconsideration within
 27.31 15 days after receiving the request. A request for reconsideration does not stay the order
 27.32 unless the commissioner issues a supplemental order granting additional time. The
 27.33 commissioner's disposition of a request for reconsideration is final.

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

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

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

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

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

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

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

28.27 Subdivision 1. **Financial report.** By June 1 of each year, the commissioner must submit
28.28 a report to the chairs and ranking minority members of the legislative committees with
28.29 jurisdiction over public safety, the legislative committees with jurisdiction over taxes, the
28.30 committee in the house of representatives with jurisdiction over commerce, the committee
28.31 in the senate with jurisdiction over state government finance and policy, the committee in
28.32 the house of representatives with jurisdiction over ways and means, and the committee in
28.33 the senate with jurisdiction over finance. The report must describe the activities of the

29.1 commissioner with respect to wagering on sporting events and include summary financial
 29.2 information on sports betting and the regulated sports betting industry as a whole. The report
 29.3 must not include information or data on individuals or entities that is classified as private
 29.4 data under section 299L.70 or separately list the earnings, wagers, or tax revenue generated
 29.5 by or use identifying information for specific mobile sports betting operators.

29.6 Subd. 2. **License activity report.** By February 1 of each year beginning in 2024, the
 29.7 commissioner shall submit a report to the chairs and ranking minority members of the
 29.8 committees in the house of representatives and the senate with jurisdiction over public
 29.9 safety, the committee in the house of representatives with jurisdiction over commerce, and
 29.10 the committee in the senate with jurisdiction over state government finance and policy on
 29.11 the following:

29.12 (1) the status of applications for licenses issued by the commissioner, including the
 29.13 number of applications for each type of license, the number of licenses of each type issued,
 29.14 and the average time between receipt of a complete application and issuance of each type
 29.15 of license;

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

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

29.20 (4) the commissioner's enforcement actions taken against persons licensed under sections
 29.21 299L.10 to 299L.80 for licensing violations, including violations of the rules adopted under
 29.22 section 299L.15.

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

29.24 Subdivision 1. **Classification.** Data in which an individual who has wagered on sporting
 29.25 events is identified by name, account number, Social Security number, or any other uniquely
 29.26 identifying indicia, is private data on individuals, as defined in section 13.02, subdivision
 29.27 12. Data on individual earnings of mobile sports betting operators, mobile sports betting
 29.28 platform providers, mobile sports betting operator application and licensing information,
 29.29 mobile sports betting platform provider application and licensing information, and all Tribal
 29.30 revenue records unassociated with mobile sports betting operators is nonpublic data, as
 29.31 defined in section 13.02, subdivision 9.

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

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

30.3 Sec. 24. **[299L.75] LOCAL RESTRICTIONS; PROHIBITION ON LOCAL TAXES**
 30.4 **OR FEES.**

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

30.7 Sec. 25. **INDIAN TRIBES; COMPACTS TO BE NEGOTIATED.**

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

30.12 **ARTICLE 2**

30.13 **TAXATION OF SPORTS BETTING**

30.14 Section 1. **[297J.01] DEFINITIONS.**

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

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

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

30.19 (3) "mobile sports betting operator" has the meaning given in section 299L.10, subdivision
 30.20 14;

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

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

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

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

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

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

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

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

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

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

31.9 Subd. 2. **Sports betting net revenue tax in lieu of other taxes.** Income derived by a
31.10 mobile sports betting operator from the conduct of wagering on a sporting event is not
31.11 subject to the tax imposed in chapter 290. Wagers accepted by a mobile sports betting
31.12 operator are not subject to the tax imposed in section 297A.62 or 297E.03.

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

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

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

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

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

32.1 to the account. After deducting any amounts necessary to pay the refunds under subdivision
32.2 5, the money shall be distributed as provided in paragraphs (b) to (d).

32.3 (b) \$2,700,000 is appropriated from the sports betting revenue account to the
32.4 commissioner of public safety to regulate mobile sports betting under sections 299L.10 to
32.5 299L.80.

32.6 (c) \$1,353,000 is appropriated from the sports betting revenue account to the
32.7 commissioner of revenue to administer the tax established in this chapter.

32.8 (d) Of the amount remaining in the sports betting revenue account after the appropriations
32.9 in paragraphs (b) and (c) have been made:

32.10 (1) 35 percent is appropriated to the commissioner of human services of which half is
32.11 for the compulsive gambling treatment program established under section 245.98, and half
32.12 is for a grant to the state affiliate recognized by the National Council on Problem Gambling
32.13 to be used to increase public awareness of problem gambling, provide education and training
32.14 for individuals and organizations providing effective treatment services to problem gamblers
32.15 and their families, and research relating to problem gambling. Funds provided to the
32.16 commissioner of human services for the compulsive gambling treatment program must also
32.17 be available for up to 60 hours of intervention services for a family member or concerned
32.18 significant other who is a Minnesota resident and is negatively impacted by problem or
32.19 compulsive gambling. Money appropriated by this clause must supplement and must not
32.20 replace existing state funding for these programs;

32.21 (2) 35 percent shall be transferred to the amateur sports integrity and participation account
32.22 established pursuant to section 240A.15, subdivision 1; and

32.23 (3) 30 percent must be distributed as follows:

32.24 (i) the first \$20,000,000 is appropriated to the Minnesota Racing Commission for the
32.25 purposes of paragraph (e); and

32.26 (ii) thereafter, the first \$3,000,000 each fiscal year is appropriated to the Minnesota
32.27 Racing Commission for the purposes of paragraph (e) and any amount collected in excess
32.28 of \$3,000,000 in a fiscal year must be evenly distributed for the purposes identified in clauses
32.29 (1) and (2).

32.30 (e) Money appropriated to the Minnesota Racing Commission under clause (3) must be
32.31 granted in equal amounts to racetracks licensed under section 240.06 for the following
32.32 purposes:

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

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

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

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

33.5 (5) to fund research projects conducted by persons affiliated with a university or

33.6 governmental research agency or institution related to equine illness and disease,

33.7 performance-related accidents and injuries, and improvements of breeding techniques;

33.8 (6) to fund mental health programs for jockeys, stewards, and backstretch employees

33.9 who have direct involvement with the care and preparation of racing horses; and

33.10 (7) to pay for increases in compensation to backstretch employees who have direct

33.11 involvement with the care and preparation of racing horses.

33.12 (f) By February 1 of every odd-numbered year, the Minnesota Racing Commission must

33.13 submit a report to the chairs and ranking minority members of the legislative committees

33.14 with jurisdiction over pari-mutuel horse racing and sports wagering authorized in chapter

33.15 299L, detailing grants made under paragraph (e).

33.16 **EFFECTIVE DATE.** This section is effective for sports betting net revenue received

33.17 after June 30, 2024, except that subdivision 7 is effective July 1, 2023, and applies to license

33.18 and renewal fees received after June 30, 2023, and sports betting net revenue received after

33.19 June 30, 2024.

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

33.21 **RECORDS.**

33.22 Subdivision 1. **Business records.** A mobile sports betting operator or mobile sports

33.23 betting platform provider must maintain records supporting the sports betting activity and

33.24 taxes owed. Records required to be kept in this section must be preserved by the mobile

33.25 sports betting operator or mobile sports betting platform provider for at least 3-1/2 years

33.26 after the return is due or filed, whichever is later, and may be inspected by the commissioner

33.27 at any reasonable time without notice or a search warrant.

33.28 Subd. 2. **Audits.** The commissioner may require a financial audit of a mobile sports

33.29 betting operator's or mobile sports betting platform provider's sports betting activities if the

33.30 mobile sports betting operator or mobile sports betting platform provider has failed to comply

33.31 with this chapter as it relates to financial reporting. Audits must be performed by an

33.32 independent accountant licensed according to chapter 326A. The commissioner must

34.1 prescribe standards for an audit required under this subdivision. A complete, true, and correct
 34.2 copy of an audit must be filed as prescribed by the commissioner. Nothing in this subdivision
 34.3 limits the commissioner's ability to conduct its own audit pursuant to its authority under
 34.4 chapter 270C.

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

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

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

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

34.12 **ARTICLE 3**

34.13 **CRIMES RELATED TO SPORTS BETTING**

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

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

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

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

34.23 (1) a misdemeanor-level violation of section 518B.01, 588.20, 609.224, 609.2242,
 34.24 609.324, subdivision 2 or 3, 609.5632, 609.576, 609.66, 609.746, 609.748, 609.79, or
 34.25 617.23;

34.26 (2) a major traffic offense or an adult court traffic offense, as described in section
 34.27 260B.225;

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

34.30 (4) a misdemeanor-level offense committed by a child whom the juvenile court has
 34.31 found to have committed a misdemeanor-level juvenile petty offense on two or more prior

35.1 occasions, unless the county attorney designates the child on the petition as a juvenile petty
 35.2 offender notwithstanding this prior record. As used in this clause, "misdemeanor-level
 35.3 juvenile petty offense" includes a misdemeanor-level offense that would have been a juvenile
 35.4 petty offense if it had been committed on or after July 1, 1995.

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

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

35.11 Subdivision 1. Definitions. As used in this section:

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

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

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

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

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

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

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

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

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

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

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

36.3 (b) A person licensed under sections 299L.10 to 299L.80 or an employee of a licensee
36.4 who knowingly accepts a wager on a sporting event placed by someone under the age of
36.5 21 years is guilty of a gross misdemeanor.

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

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

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

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

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

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

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

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

36.26 (1) the person has previously been convicted of a violation of this section or section
36.27 609.76; or

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

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

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

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

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

37.7 Subd. 5. **Unauthorized acceptance of wagers.** (a) A person licensed under sections
37.8 299L.10 to 299L.80, or an employee of a licensee whose exclusive or primary responsibilities
37.9 involve mobile sports betting, who accepts a wager on a sporting event knowing that the
37.10 wager was made in violation of subdivision 4, paragraph (a) is guilty of a crime and may
37.11 be sentenced as provided in paragraphs (b) to (e).

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

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

37.15 (1) the person has previously been convicted of a violation of this section or section
37.16 609.76; or

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

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

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

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

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

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

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

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

37.30 Subd. 6. **Aggregation; venue.** In any prosecution under subdivision 4 or 5, the amount
37.31 of money wagered within any six-month period may be aggregated and the accused charged

38.1 accordingly in applying the provisions of those subdivisions. In addition, when two or more
38.2 offenses are committed by the same person in two or more counties, the accused may be
38.3 prosecuted in any county in which one of the offenses was committed for all of the offenses
38.4 aggregated under this subdivision.

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

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

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

38.12 (3) a valid United States passport;

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

38.15 (5) a Tribal identification;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39.23 Gambling device does not include a website or mobile application, or device used for

39.24 accessing the website or mobile application, authorized to be used in conducting mobile

39.25 sports betting pursuant to sections 299L.10 to 299L.80.

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

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

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

40.3 Subd. 7a. **Sporting event.** "Sporting event" has the meaning given in section 299L.10,
40.4 subdivision 18, and includes any event, such as a game, match, contest, or activity, or series
40.5 of games, matches, contests, activities, or tournaments, involving the athletic skill or
40.6 performance in a video game of one or more players or participants, regardless of whether
40.7 the event is approved by the commissioner to be an event eligible for wagering under sections
40.8 299L.10 to 299L.80.

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

40.10 **609.755 GAMBLING; MISDEMEANOR.**

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

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

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

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

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

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

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

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

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

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

40.28 (1) the person has previously been convicted of a violation of this section or section
40.29 609.76; or

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

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

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

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

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

41.12 (a) As used in this section:

41.13 (1) "participant in a sporting event" has the meaning given in section 299L.10, subdivision
41.14 17; and

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

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

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

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

41.27 **Sec. 10. EFFECTIVE DATE.**

41.28 Sections 1 to 9 are effective the day that sports betting becomes lawful under article 1
41.29 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

43.1 and providing any additional information required by the Minnesota Amateur Sports
43.2 Commission.

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

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

43.13 (c) Grant recipients may use funds to:

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

43.15 (2) improve facilities for youth sports;

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

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

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

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

43.27 Subd. 4. **Annual report.** By January 15 of each year, the Minnesota Amateur Sports
43.28 Commission must submit a report to the chairs and ranking minority members of the
43.29 legislative committees with jurisdiction over public safety, the legislative committees with
43.30 jurisdiction over taxes, the committee in the house of representatives with jurisdiction over
43.31 commerce, the committee in the senate with jurisdiction over state government finance and
43.32 policy, the committee in the house of representatives with jurisdiction over ways and means,
43.33 and the committee in the senate with jurisdiction over finance. The report must identify the

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

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

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

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

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

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

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

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

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

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

45.18 Subd. 5. **Report.** By January 15, 2025, the grant recipient shall submit a report to the
45.19 chairs and ranking minority members of the legislative committees with jurisdiction over
45.20 public safety, the legislative committees with jurisdiction over taxes, the committee in the
45.21 house of representatives with jurisdiction over commerce, the committee in the senate with
45.22 jurisdiction over state government finance and policy, the committee in the house of
45.23 representatives with jurisdiction over ways and means, and the committee in the senate with
45.24 jurisdiction over finance. The report shall summarize the actions and findings of the grant
45.25 recipient and shall make recommendations for policies and the use of financial resources
45.26 to prevent and address problem gambling by young adults.

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

45.28 \$1,301,000 in fiscal year 2024 is appropriated from the sports betting revenue account
45.29 in the special revenue fund to the commissioner of public safety to perform the duties
45.30 required to establish and regulate mobile sports betting under Minnesota Statutes, sections
45.31 299L.10 to 299L.80. Notwithstanding any law to the contrary, this appropriation must be
45.32 made before the distribution required under Minnesota Statutes, section 297J.02, subdivision
45.33 7, paragraph (d). This is a onetime appropriation.

46.1 Sec. 5. DEPARTMENT OF REVENUE; APPROPRIATION.

46.2 \$328,000 in fiscal year 2024 is appropriated from the sports betting revenue account in
46.3 the special revenue fund to the commissioner of revenue to perform the duties necessary to
46.4 establish and enforce the taxation of mobile sports betting. Notwithstanding any law to the
46.5 contrary, this appropriation must be made before the distribution required under Minnesota
46.6 Statutes, section 297J.02, subdivision 7, paragraph (d). This is a onetime appropriation.

46.7 **ARTICLE 5**

46.8 **CONFORMING AMENDMENTS**

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

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

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

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

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

46.17 (2) concluded with official results; and

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

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