

1.1 Senator moves to amend S.F. No. 1894 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[240B.01] DEFINITIONS.**

1.4 Subdivision 1. **Authorized sports bettor.** "Authorized sports bettor" means a person
1.5 who is not a prohibited sports bettor, and who participates in sport wagering offered by a
1.6 sports pool operator.

1.7 Subd. 2. **Authorized sports wagering vendor.** "Authorized sports wagering vendor"
1.8 means a person that the commission approves to conduct any or all aspects of the operation
1.9 of a sports pool or to supply, sell, or lease sports wagering equipment, systems, or other
1.10 gaming items necessary to conduct sports wagering, or to offer services related to installing,
1.11 maintaining, or servicing equipment or other gaming items to a sports pool operator. After
1.12 the commission approves a vendor, that vendor is authorized for use at all sports pool
1.13 operators.

1.14 Subd. 3. **Casino.** "Casino" means a facility at which class III gambling is authorized
1.15 under a tribal-state compact.

1.16 Subd. 4. **Commission.** "Commission" means the Minnesota Sports Wagering
1.17 Commission.

1.18 Subd. 5. **Mobile sports wagering platform.** "Mobile sports wagering platform" means
1.19 the combination of hardware, software, and data networks used to manage, administer, or
1.20 control sports wagering and any associated wagers accessible by any electronic means,
1.21 including mobile applications and Internet websites accessed via a mobile device, computer,
1.22 or other approved device.

1.23 Subd. 6. **Prohibited sporting event.** "Prohibited sporting event" means any activity,
1.24 sport, or athletic event organized by an elementary, middle, or high school, or by any youth
1.25 activity sports program, league, or clinic, whether sponsored by a school, club, or other
1.26 organization, as well as any event designated as a prohibited sporting event by the
1.27 commission.

1.28 Subd. 7. **Prohibited sports bettor.** "Prohibited sports bettor" means:

1.29 (1) a person under the age of 18;

1.30 (2) a director, officer, partner, governor, or direct or indirect holder of more than a five
1.31 percent financial interest in a sports pool operator; or

2.1 (3) a coach or participant in the sporting event, including, but not limited to, any athletes,
2.2 players, officials, umpires, referees, instant-replay officials, or persons with roles that could
2.3 reasonably affect the outcome of a sporting event.

2.4 Subd. 8. **Racetrack.** "Racetrack" means a licensed racetrack as defined by section 240.01,
2.5 subdivision 10.

2.6 Subd. 9. **Sporting event.** "Sporting event" means an event at which two or more persons
2.7 participate in sports, athletic, or other competitive events, and that is not a prohibited sporting
2.8 event.

2.9 Subd. 10. **Sports pool.** "Sports pool" means the business of accepting wagers on any
2.10 sporting event by any system or method of sports wagering. Operation of or participation
2.11 in a sports pool is not a bet or sports bookmaking under sections 609.75 to 609.76 if
2.12 conducted under this chapter. A device used in the conduct of a sports pool is not a gambling
2.13 device under sections 609.75 to 609.76 and chapter 299L.

2.14 Subd. 11. **Sports pool operator.** "Sports pool operator" means a casino or a racetrack
2.15 that has elected to operate a sports pool either independently or jointly, and is licensed by
2.16 the commission to operate that sports pool, or an agent that has been engaged to operate
2.17 that sports pool using the license held by a casino or racetrack.

2.18 Subd. 12. **Sports wagering.** "Sports wagering" means any type of authorized wagering
2.19 on a sporting event including, but not limited to, single-game bets, teaser bets, parlays,
2.20 over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets,
2.21 proposition bets, straight bets, and any other system or method of wagering approved by
2.22 the commission. Sports wagering does not include private social bets as defined in section
2.23 609.75, subdivision 3, clause (5).

2.24 Subd. 13. **Sports wagering interface.** "Sports wagering interface" means the interface
2.25 of a sports wagering interactive website or mobile application through which a sports pool
2.26 operator, or agent on behalf of a sports pool operator, makes authorized sports wagering
2.27 available to authorized sports bettors for play.

2.28 Subd. 14. **Sports wagering net revenue.** "Sports wagering net revenue" means the total
2.29 of all cash received by a sports pool operator from sports wagering from all authorized
2.30 sports bettors in Minnesota, less the total of all cash paid out as winnings to all authorized
2.31 sports bettors in Minnesota. Where merchandise or things of value are included in a payout
2.32 or are given as winnings to authorized sports bettors, the total of all cash paid out as winnings
2.33 to all authorized sports bettors shall include the cash equivalent value of that merchandise
2.34 or things of value. Sports wagering net revenue shall not include other cash received by a

3.1 sports pool operator for activities other than sports wagering. The cash received by a sports
3.2 pool operator as part of the sports wagering net revenue calculation does not include the
3.3 value of cash received as a result of promotional credits, free bets, or other incentives.

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

3.5 **Sec. 2. [240B.02] MINNESOTA SPORTS WAGERING COMMISSION.**

3.6 Subdivision 1. **Membership.** The Minnesota Sports Wagering Commission consists of
3.7 five members appointed by the governor.

3.8 Subd. 2. **Vacancies.** When a vacancy on the commission exists, the governor will notify
3.9 the legislature of the vacancy and invite a member of the legislature to recommend a
3.10 candidate to fill the available position as prescribed under this subdivision. For the first
3.11 vacancy, the governor will invite a recommendation from the senate majority leader; for
3.12 the second vacancy, the governor will invite a recommendation from the speaker of the
3.13 house of representatives; for the third vacancy, the governor will invite a recommendation
3.14 from the senate minority leader; for the fourth vacancy, the governor will invite a
3.15 recommendation from the house of representatives minority leader; for the fifth vacancy,
3.16 the governor will not invite a recommendation from a member of the legislature. The
3.17 governor must invite or not invite a recommendation from a member of the legislature for
3.18 all vacancies following the fifth vacancy in the same order and manner as the governor is
3.19 required to invite or not invite recommendations for the first to fifth vacancies. The governor
3.20 may choose to fill a commission vacancy with a candidate recommended by a member of
3.21 the legislature under this subdivision. Appointments under this subdivision must be made
3.22 with the advice and consent of the legislative body of which the legislator making the
3.23 submission is a member. If no legislative recommendation is made, the appointment must
3.24 be made with the advice and consent of both the house of representatives and senate.

3.25 Subd. 3. **Chair.** The commission must select one of its members as chair. The term of
3.26 the chair may not exceed four years and no person may serve consecutive terms as chair.

3.27 Subd. 4. **Term.** Appointments to the commission are for four years. A member may
3.28 serve more than one term.

3.29 Subd. 5. **Conflict of interest.** A person who has an interest in or receives compensation
3.30 from a corporation, association, limited liability company, or partnership that is licensed
3.31 by the commission may not serve on the commission, be the director, or be an employee of
3.32 the commission.

3.33 Subd. 6. **Compensation.** Members of the commission serve in the unclassified service.

4.1 Subd. 7. Powers and duties. The commission shall regulate sports wagering to ensure
4.2 that it is conducted in a fair and lawful manner and to take all necessary actions sufficient
4.3 to administer and enforce the provisions of this chapter.

4.4 Subd. 8. Rulemaking authority. (a) The commission must adopt rules consistent with
4.5 this section for the conduct of sports pools, including but not limited to:

4.6 (1) the manner in which wagers are accepted and payouts are remitted;

4.7 (2) in consultation with the commissioner of revenue, if necessary, the calculation of
4.8 sports wagering net revenue and standards for the daily counting and recording of cash and
4.9 cash equivalents received in the conduct of sports wagering;

4.10 (3) the minimum and maximum wagers that may be accepted by a sports pool operator
4.11 from any one authorized sports bettor on any one sporting event;

4.12 (4) standards to address and prevent compulsive and problem gambling;

4.13 (5) the sporting events on which wagers are authorized to be placed including but not
4.14 limited to any professional or National Collegiate Athletic Association Division I sporting
4.15 event;

4.16 (6) application requirements for sports pool licenses; and

4.17 (7) application requirements for licenses, background checks, prohibitions, audits,
4.18 registration of employees, inspections, filing of inventory, serial numbers, or termination
4.19 plans.

4.20 (b) Rulemaking under this section is subject to chapter 14, the Administrative Procedure
4.21 Act.

4.22 Subd. 9. Summary rulemaking. (a) Notwithstanding any provision of chapter 14 to
4.23 the contrary, between the date of enactment of this act and 180 days following the first
4.24 sports wager, the commission may, after providing the required notice under this subdivision,
4.25 summarily adopt, amend, or repeal any order or rule for the purpose of ensuring the
4.26 expeditious and effective implementation of sports wagering in accordance with this act.

4.27 (b) Rules adopted by summary rulemaking shall be effective when published by the
4.28 commission on its website and shall allow for the immediate application of any licensed
4.29 casino, racetrack, or associated card room to the commission for a transactional waiver to
4.30 immediately commence sports wagering.

4.31 (c) The commission shall immediately issue a sports pool license to an applicant who
4.32 has filed an application and met requirements under statute and rule. A person may take

5.1 wagers after receipt of a license, subject to the applicant's compliance with this chapter and
5.2 with any applicable regulations adopted by the commission.

5.3 (d) If the commission determines that a licensed sports pool operator does not comply
5.4 with this chapter and with rules adopted by the commission within 270 days as provided
5.5 above, that sports pool operator will not be eligible to conduct sports wagering until the
5.6 commission determines that the sports pool operator is in compliance.

5.7 (e) Notice of any summary rulemaking action taken by the commission under this
5.8 subdivision shall be published in the Minnesota State Register and provided to any
5.9 newspapers designated by the commission within 30 days of the effective date of the
5.10 summary rules. The text of any summary rule adopted by the commission under this section
5.11 shall be available in all sports pool facilities.

5.12 (f) A person aggrieved by a rule adopted under this subdivision may initiate a contested
5.13 case proceeding under chapter 14.

5.14 Subd. 10. **Commission orders.** The commission may order a person who has violated
5.15 a provision of this chapter or rules adopted by the commission to take appropriate action to
5.16 correct the violation. The commission may petition a district court to enforce an order of
5.17 the commission.

5.18 Subd. 11. **Court orders.** The district court may, on petition of the commission, order a
5.19 person to appear before the commission and to produce documents, or to give evidence
5.20 relating to a matter under investigation or in question. Failure to obey an order of the court
5.21 may be punished by the court as contempt of court.

5.22 Subd. 12. **Director.** The governor must appoint a director to the commission. The director
5.23 has the duty to operate and manage the day-to-day functions of the commission; to execute
5.24 the authority delegated to the director by the commission, statute, or rule; and to advise the
5.25 commission on policy, rule, or legislative changes. The director serves in the unclassified
5.26 service at the pleasure of the governor.

5.27 Subd. 13. **Delegation.** The commission may delegate any of its authority under this
5.28 chapter to a director appointed under subdivision 12 to promote the efficient administration
5.29 of this chapter.

5.30 Subd. 14. **Account.** All fees imposed by the commission under sections 240B.02 to
5.31 240B.07 must be deposited in the state treasury and credited to a sports betting regulation
5.32 account in the special revenue fund. Receipts in this account are available for the operations
5.33 of the commission up to the amount authorized in appropriations by the legislature.

6.1 Subd. 15. **Report.** By February 15 of each year, the commission shall submit a report
6.2 to the governor and to the chairs and ranking minority members of the senate and house of
6.3 representatives committees with jurisdiction over state government and taxes on its activities,
6.4 receipts, and disbursements, and recommendations for changes in laws relating to sports
6.5 wagering. Recommendations for changes in laws must include draft bill language to
6.6 accomplish the change.

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

6.8 **Sec. 3. [240B.05] APPLICABILITY.**

6.9 Subdivision 1. **No effect on chapters 240, 349, and 609.** The provisions of this chapter
6.10 do not impair, restrict, impact, modify, or otherwise affect statutes relating to gambling,
6.11 including, but not limited to, sections 609.75 to 609.763 and chapter 349, or statutes relating
6.12 to racetracks, including, but not limited to, chapter 240, or rules adopted by the Minnesota
6.13 Department of Public Safety's Alcohol and Gambling Enforcement Division or the Minnesota
6.14 Racing Commission, unless explicitly indicated in this chapter.

6.15 Subd. 2. **Local preemption.** No local law, ordinance, statute, rule, or regulation providing
6.16 any penalty, fee, tax, disability, restriction, regulation, or prohibition relating to sports
6.17 wagering may be enacted, and this chapter preempts all regulations, rules, ordinances, and
6.18 laws of any county, municipality, or government subdivision in conflict with this chapter.

6.19 Subd. 3. **Permitted use.** Sports wagering at a sports pool operated by a licensed sports
6.20 pool operator shall be a permitted use in all commercial, retail, industrial, nonresidential,
6.21 and mixed-use zoning districts of a municipality.

6.22 Subd. 4. **Conflict with existing law.** Notwithstanding subdivision 1, this chapter preempts
6.23 provisions of Minnesota law existing as of the effective date of this act that are in conflict
6.24 with a provision of this act.

6.25 Subd. 5. **Severability.** If a provision of this chapter or its application to any person or
6.26 circumstances is held invalid, that invalidity shall not affect other provisions or applications
6.27 of this act that can be given effect without the invalid provision or application, and to this
6.28 end the provisions of this act are severable.

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

6.30 **Sec. 4. [240B.06] SPORTS POOL OPERATOR LICENSES.**

6.31 Subdivision 1. **Issuance.** (a) The commission is authorized to issue licenses and license
6.32 renewals to conduct a sports pool to an applicant who is eligible under subdivision 3. The

7.1 commission shall hear and decide promptly and in reasonable order all applications for a
7.2 license to operate a sports pool. The term of a license is one year and shall renew upon the
7.3 payment of a renewal fee of the license to operate the applicable casino or racetrack.

7.4 (b) No agency other than the commission may grant, limit, condition, or revoke a sports
7.5 pool operator's license.

7.6 (c) The license to operate a sports pool shall be in addition to any other license required
7.7 to operate the casino or racetrack where a sports pool operator or that qualifies the person
7.8 to be licensed as a sports pool operator under subdivision 3.

7.9 Subd. 2. **Eligibility.** To be eligible for a sports pool operator license, an applicant must
7.10 be a federally recognized Indian tribe or group of tribes that operate a casino under a tribal
7.11 compact with the state as of January 1, 2020, or a racetrack licensee under chapter 240 who
7.12 is operating that racetrack as of January 1, 2020.

7.13 Subd. 3. **Forms.** All applications for a license or renewal must be on a form prescribed
7.14 by the commission. The commission may require an applicant to submit any documents it
7.15 deems necessary.

7.16 Subd. 4. **Fees.** The commission shall charge a fee of \$..... for a license issued under
7.17 this section.

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

7.19 Sec. 5. **[240B.07] OPERATION OF SPORTS POOLS.**

7.20 Subdivision 1. **Authorized wagers.** (a) A licensed sports pool operator may accept any
7.21 type of authorized sports wager on a sporting event that is not a prohibited sporting event.

7.22 (b) A sports pool operator may only accept a wager from an authorized sports bettor
7.23 who is physically present in a licensed facility where authorized sports wagering occurs, or
7.24 a wager made by a person not physically present who wagers through a mobile sports
7.25 wagering platform offered by a licensed sports pool operator, subject to paragraph (e).

7.26 (c) A licensed sports pool operator may offer two individually branded sports wagering
7.27 interfaces, each of which may have an accompanying mobile application bearing the same
7.28 brand as the website for an online sports pool.

7.29 (d) A sports pool operator may provide promotional credits, incentives, bonuses, or
7.30 similar benefits to encourage authorized sports bettors to wager.

7.31 (e) A sports pool operator may only accept a wager through a mobile sports wagering
7.32 platform from an authorized sports bettor that has registered with the sports pool operator.

8.1 Registration must be in person at the casino or racetrack on which the operator's eligibility
8.2 for its sports pool operator license is based under section 240B.06.

8.3 (f) A sports pool operator may allow an authorized sports bettor to establish an account
8.4 with a sports pool operator, deposit funds into the account, and use the account balance to
8.5 pay for sports wagering. A sports pool operator may credit winnings or other amounts due
8.6 to an authorized sports bettor to the account. An account may be established only by an
8.7 authorized sports bettor in person at a casino or racetrack that is licensed by the commission
8.8 to operate a sports pool, and funds deposited into the account must be deposited in person
8.9 at a casino or racetrack that is licensed by the commission to operate a sports pool.

8.10 Subd. 2. **Prohibited wagers.** A sports pool operator must not accept, or pay on, a wager
8.11 that:

8.12 (1) the sports pool operator knows, or reasonably should know, is being placed by or on
8.13 behalf of a prohibited sports bettor;

8.14 (2) is on a prohibited sporting event;

8.15 (3) is on a sporting event for which the line was not posted; or

8.16 (4) is on an election for public office.

8.17 Subd. 3. **Vendor contracts.** A sports pool operator may contract with an authorized
8.18 sports wagering vendor to perform the following services: (1) conduct aspects of the operation
8.19 of a sports pool; (2) to supply, sell, or lease sports wagering equipment, systems, or other
8.20 gaming items necessary to conduct sports wagering; or (3) to offer services related to
8.21 installing, maintaining, or servicing equipment or other gaming items to a sports pool
8.22 operator. Once the commission has approved a vendor, that vendor is authorized for use at
8.23 all sports pool operator facilities.

8.24 Subd. 4. **Reserve funds.** (a) A sports pool operator must maintain a reserve fund.

8.25 (b) Before beginning operations, a sports pool operator must establish a reserve of
8.26 \$50,000 or a reasonable qualifier specified by the commission, whichever is greater.

8.27 (c) The commission may require a sports pool operator to maintain an amount that the
8.28 commission determines is necessary to ensure that all payouts may be made.

8.29 Subd. 5. **Wagering location and intermediate routing.** A wager authorized under this
8.30 chapter shall be initiated, received, and otherwise made within the state unless otherwise
8.31 authorized by the commission. Incidental routing outside the state of electronic data relating
8.32 to a wager does not affect the status of the wager under this subdivision.

9.1 Subd. 6. **Prohibition of certain out-of-state wagers.** A sports pool operator may not
9.2 accept a wager from a person who is not physically present in the state unless the commission
9.3 determines that the wagering is not inconsistent with federal law or the law of the jurisdiction
9.4 where the person is located while placing the wager, including any foreign nation, or unless
9.5 the wagering is conducted pursuant to a reciprocal agreement to which the state is a party
9.6 that is not inconsistent with federal law.

9.7 Subd. 7. **Pool cancellations.** The commission may order the cancellation of an open
9.8 sports pool and refund of wagers if the commission determines that the immediate
9.9 cancellation of a pool is necessary to ensure the honesty, fairness, lawfulness, or integrity
9.10 of sports wagering or of a sporting event.

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

9.12 Sec. 6. **[240B.08] REVENUE; PRIZES; TAXATION.**

9.13 Subdivision 1. **Taxation of sums received.** (a) A sports wagering tax of 6.75 percent
9.14 is imposed on sports wagering net revenue. The tax shall be in lieu of all other taxes imposed
9.15 by chapter 290. Wagers accepted by a sports pool operator are not subject to the taxes or
9.16 other provisions in chapter 297E or section 297A.62.

9.17 (b) A sports pool operator shall remit the tax imposed by paragraph (a) of this act to the
9.18 commissioner of revenue for deposit in the general fund before the close of business not
9.19 more than 15 days after the last business day of each month for the sports wagering taxes
9.20 collected the previous month.

9.21 Subd. 2. **General powers.** The commissioner of revenue shall have all general,
9.22 administrative, and compliance powers related to the sports wagering tax imposed under
9.23 this section as set forth under chapters 270C and 289A.

9.24 Subd. 3. **Unclaimed prizes.** (a) Notwithstanding any provision to the contrary in chapter
9.25 345, unclaimed sports wagering prizes or winnings must not be considered unclaimed funds
9.26 and shall be disbursed under the provisions of this subdivision.

9.27 (b) Any person claiming entitlement to the unclaimed sports wagering prizes or winnings
9.28 may, within one year after the conclusion of the sporting event, file with the sports pool
9.29 operator a verified claim for proceeds on a form prescribed by the commissioner, along
9.30 with any documentation established by the commission as necessary to establish the person's
9.31 entitlement to the unclaimed sports wagering prizes or winnings. Unless the claimant
9.32 satisfactorily establishes the right to the unclaimed sports wagering prizes or winnings, the

10.1 claim shall be rejected. If the claim is allowed, the sports pool operator shall provide the
10.2 unclaimed sports wagering prizes or winnings without interest to the claimant.

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

10.4 Sec. 7. **[240B.09] RECORDS; REPORTING.**

10.5 Subdivision 1. **Records.** A sports pool operator shall maintain records of sports wagering
10.6 operations in accordance with rules adopted by the commission.

10.7 Subd. 2. **Annual reporting.** By February 15 of each year, the commission shall submit
10.8 a report to the governor and to the chairs and ranking minority members of the senate and
10.9 house of representatives committees with jurisdiction over taxes and state government that
10.10 provides an accounting for all sports wagering activity conducted by licensed sports pool
10.11 operators. Sports wagering activity includes the amounts of wagers received, payouts made,
10.12 and all sports wagering taxes owed or paid to the commissioner of revenue, fees paid to the
10.13 commission, and any recommendations for changes in the laws relating to sports wagering.

10.14 Subd. 3. **Monthly reporting.** A sports pool operator must file with the commission a
10.15 report showing all sports wagering activity conducted by that sports pool operator for each
10.16 month on a form prescribed by the commission. Sports wagering activity includes the
10.17 amounts of all wagers received, payouts, and all sports wagering taxes owed or paid to the
10.18 commissioner of revenue. The report must be filed with the commission on or before the
10.19 15th day of the month following the month in which the sports wagering activity takes
10.20 place. The commission shall prescribe the content, format, and manner of returns or other
10.21 documents.

10.22 Subd. 4. **Right of inspection.** The commission and its designees are authorized to inspect
10.23 the licensed premises of a sports pool operator and to examine the sports pool operator's
10.24 books and other records at any time without a search warrant.

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

10.26 Sec. 8. **[240B.10] ENFORCEMENT.**

10.27 Subdivision 1. **Reporting violations.** A sports pool operator shall with reasonable
10.28 promptness report to the commission the following information, to the extent that the sports
10.29 pool operator has direct and verifiable knowledge of information relating to:

10.30 (1) any criminal or disciplinary proceedings commenced against the sports pool operator
10.31 or its employees in connection with the operation of the sports pool;

11.1 (2) any abnormal betting activity or patterns that may indicate a concern about the
11.2 honesty or integrity of a sporting event or events; or

11.3 (3) any other conduct with the potential to corrupt a betting outcome of a sporting event
11.4 for purposes of financial gain, including but not limited to match fixing.

11.5 Subd. 2. **Cooperation.** The commission is authorized to share any information under
11.6 this section with any law enforcement entity, team, sports governing body, or regulatory
11.7 agency.

11.8 Subd. 3. **Cease and desist letters.** (a) If the commission determines that a person has
11.9 engaged or is about to engage in any act violating this chapter, chapter 609 as it relates to
11.10 sports wagering, or any commission rule or order, the commission may issue and cause to
11.11 be served upon the person an order requiring the person to cease and desist from the violations
11.12 or attempted violations. The order must give reasonable notice of the person's right to request
11.13 a hearing before an administrative law judge and must state the reason for entry of the order.

11.14 (b) Unless otherwise agreed between the parties, a hearing shall be held not later than
11.15 seven days after the request for hearing is received by the commission. Within 20 days after
11.16 the issuance of the administrative law judge's report and subsequent exceptions and argument,
11.17 the commission shall issue a final order vacating, modifying, or making permanent the cease
11.18 and desist order as the facts require.

11.19 (c) If no hearing is requested within 30 days of the service of the order, the order becomes
11.20 final and remains in effect until modified or vacated by the commission. All hearings shall
11.21 be conducted in accordance with the provisions of chapter 14. If the person to whom a cease
11.22 and desist order is issued fails to appear at the hearing after being duly notified, the person
11.23 shall be deemed in default, and the proceeding may be determined against the person upon
11.24 consideration of the cease and desist order, the allegations of which shall be deemed to be
11.25 true.

11.26 Subd. 4. **Production of documents and information.** An applicant, licensee, or other
11.27 person subject to the commission's jurisdiction must take reasonable efforts to:

11.28 (1) comply with reasonable and relevant requests for information or documents from
11.29 the commission within the time specified in the request or, if no time is specified, within
11.30 30 days of the date the commission mails the request; and

11.31 (2) appear before the commission when requested to do so if a request is reasonable,
11.32 and bring any reasonable and relevant documents or materials requested by the commission
11.33 to the appearance.

12.1 Subd. 5. **Injunctions.** When the commission determines that a person has engaged in
12.2 or is about to engage in an act or practice that violates this chapter, chapter 609 as it relates
12.3 to sports wagering, or a commission rule or order, the commission may bring an action in
12.4 the district court in the appropriate county to enjoin the act or practice and to enforce
12.5 compliance with this chapter or commission rules or orders, and may refer the matter to the
12.6 attorney general. The commission need not demonstrate irreparable harm to obtain injunctive
12.7 relief. The court may not require the commission to post a bond.

12.8 Subd. 6. **Civil penalty.** Any sports pool operator who knowingly violates any requirement
12.9 under this chapter is liable for a civil penalty of not more than \$1,000 for each violation,
12.10 not to exceed \$50,000 for violations arising out of the same transaction or occurrence. The
12.11 penalties shall accrue to the state and may be recovered in a civil action brought by the
12.12 commission.

12.13 Subd. 7. **Criminal penalty.** (a) A sports pool operator and any authorized sports bettors
12.14 in that sports pool are not subject to criminal penalty under sections 609.75 to 609.76 or
12.15 chapter 299L, if the sports pool operator is licensed under this chapter and is acting in
12.16 conformance with this chapter, and the sports wagering is conducted as permitted under
12.17 this chapter.

12.18 (b) Any person other than a licensed sports pool operator who engages in operating a
12.19 sports pool is guilty of a felony and, upon conviction, shall be fined not more than \$25,000.
12.20 In the case of a nonnatural person, including, but not limited to, a business, corporate,
12.21 nonprofit, or other entity, the person may be fined up to \$100,000, or confined in jail for
12.22 up to three years, or fined and confined. The penalty upon conviction shall also include
12.23 disgorgement of any money received as a result of the violation.

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

12.25 Sec. 9. Minnesota Statutes 2018, section 541.20, is amended to read:

12.26 **541.20 RECOVERY OF MONEY LOST.**

12.27 Every person who, by playing at cards, dice, or other game, or by betting on the hands
12.28 or sides of such as are gambling, shall lose to any person so playing or betting any sum of
12.29 money or any goods, and pays or delivers the same, or any part thereof, to the winner, may
12.30 sue for and recover such money by a civil action, before any court of competent jurisdiction.
12.31 For purposes of this section, gambling shall not include pari-mutuel wagering conducted
12.32 under a license issued pursuant to chapter 240, purchase or sale of tickets in the State Lottery,

13.1 or gambling authorized under chapters 349 and 349A, or sports wagering authorized under
13.2 chapter 240B.

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

13.4 Sec. 10. Minnesota Statutes 2018, section 541.21, is amended to read:

13.5 **541.21 COMMITMENTS FOR GAMBLING DEBT VOID.**

13.6 Every note, bill, bond, mortgage, or other security or conveyance in which the whole or
13.7 any part of the consideration shall be for any money or goods won by gambling or playing
13.8 at cards, dice, or any other game whatever, or by betting on the sides or hands of any person
13.9 gambling, or for reimbursing or repaying any money knowingly lent or advanced at the
13.10 time and place of such gambling or betting, or lent and advanced for any gambling or betting
13.11 to any persons so gambling or betting, shall be void and of no effect as between the parties
13.12 to the same, and as to all persons except such as hold or claim under them in good faith,
13.13 without notice of the illegality of the consideration of such contract or conveyance. The
13.14 provisions of this section shall not apply to: (1) pari-mutuel wagering conducted under a
13.15 license issued pursuant to chapter 240; (2) purchase of tickets in the State Lottery under
13.16 chapter 349A; (3) gaming activities conducted pursuant to the Indian Gaming Regulatory
13.17 Act, United States Code, title 25, section 2701 et seq.; ~~or~~ (4) lawful gambling activities
13.18 permitted under chapter 349; or (5) sports wagering permitted under chapter 240B.

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

13.20 Sec. 11. Minnesota Statutes 2018, section 609.75, subdivision 7, is amended to read:

13.21 Subd. 7. **Sports bookmaking.** Sports bookmaking is the activity of intentionally
13.22 receiving, recording or forwarding within any 30-day period more than five bets, or offers
13.23 to bet, that total more than \$2,500 on any one or more sporting events. The operation of or
13.24 participation in a sports pool is not sports bookmaking if conducted under chapter 240B.

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

13.26 Sec. 12. Minnesota Statutes 2018, section 609.761, is amended by adding a subdivision
13.27 to read:

13.28 Subd. 7. **Sports pools.** Sections 609.755 and 609.76 do not prohibit sports pools
13.29 conducted under chapter 240B or the possession, use, or sale of associated equipment used
13.30 in the conduct of sports pools conducted under chapter 240B.

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

14.1 Sec. 13. **FIRST APPOINTMENTS TO THE MINNESOTA SPORTS WAGERING**
14.2 **COMMISSION.**

14.3 The governor shall make appointments to the Minnesota Sports Wagering Commission
14.4 within 30 days of enactment of a law establishing the commission, and shall designate one
14.5 member to call the first meeting of the commission.

14.6 Sec. 14. **APPROPRIATION.**

14.7 \$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the sports
14.8 betting regulation account in the special revenue fund to the Minnesota Sports Wagering
14.9 Commission for the operations of the commission.

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

14.11 Amend the title accordingly