

1.1 moves to amend S.F. No. 4760, in conference committee, as follows:

1.2 On R26, House language, (UES4760-1)

1.3 Page 65, delete section 75 and insert:

1.4 "Sec. Minnesota Statutes 2024, section 299L.03, subdivision 12, is amended to read:

1.5 Subd. 12. **Cease and desist orders.** (a) When it appears to the director that any person
1.6 has engaged in or is about to engage in any act or practice constituting a violation of this
1.7 chapter, ~~or any rule or order issued under this chapter, or section 609.7615,~~ the director may
1.8 issue and cause to be served on the person an order requiring the person to cease and desist
1.9 from the violations of this chapter, or any rule or order issued under this chapter. The order
1.10 must give reasonable notice of the rights of the person to request a hearing and must state
1.11 the reason for the entry of the order. Unless otherwise agreed between the parties, a hearing
1.12 must be held not later than seven days after receiving the request for a hearing. Within 20
1.13 days of receiving the administrative law judge's report and subsequent exceptions and
1.14 argument, the director shall issue an order vacating the cease and desist order, modifying
1.15 the order, or making it permanent, as the facts require. If no hearing is requested within 30
1.16 days of service of the order, the order becomes final and remains in effect until modified
1.17 or vacated by the commissioner. All hearings under this subdivision must be conducted in
1.18 accordance with sections 14.57 to 14.69 of the Administrative Procedure Act. If the person
1.19 to whom a cease and desist order has been issued under this subdivision fails to appear at
1.20 a hearing after being notified of the hearing, the person is deemed in default and the
1.21 proceeding may be determined against the person on consideration of the cease and desist
1.22 order, the allegations of which are deemed to be true.

1.23 (b) When it appears to the director that any person has engaged in or is about to engage
1.24 in any act or practice constituting a violation of this chapter, ~~or any rule adopted or subpoena~~
1.25 or order issued under this chapter, or section 609.7615, the director may bring an action in

the district court in the appropriate county to enjoin the acts or practices and to enforce compliance ~~with this chapter or any rule, subpoena, or order issued or adopted under this chapter,~~ and may refer the matter to the attorney general. On a proper showing, the court shall grant a permanent or temporary injunction, restraining order, or writ of mandamus. The court may not require the director to post a bond.

Sec. Minnesota Statutes 2024, section 609.75, subdivision 3, is amended to read:

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

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

(2) a contract for the purchase or sale at a future date of securities or other commodities, except as provided in section 609.7615;

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective August 1, 2026.

Sec. **[609.7615] PREDICTION MARKETS.**

Subdivision 1. Definitions. (a) As used in this section, the following terms have the meanings given.

(b) "Athletic event" means a sports game, match, or activity, or series of games, matches, activities, or tournaments involving the physical proficiency of one or more players or

participants. Athletic event includes horse racing as defined in section 240.01, subdivision 8.

(c) "Esports event" means a competition between individuals or teams using video games in a game, match, contest, or series of games, matches, or contests, or a tournament, or by a person or team against a specified measure of performance which is hosted at a physical location or online.

(d) "Game of skill" means a game, match, or tournament, or a series of games, matches, and tournaments involving the dexterity or mental skill of one or more players or participants. Game of skill includes an esports event.

(e) "Prediction market" means a system that allows consumers to place a wager on the future outcome of a specified event that is not determined or affected by the performance of the parties to the contract, including but not limited to:

(1) an athletic event or game of skill, or portions thereof or individual performance statistics therein;

(2) any game played with cards, dice, equipment, or any mechanical or electronic device or machine;

(3) war, state or national emergencies, natural or human-made disasters, mass shootings, acts of terrorism, or public health crises, or the ancillary effects thereof;

(4) any event or events happening to a natural person or group of people;

(5) a federal, state, or local election, or the actions or conduct of the federal, state, or local government and the government's agencies, employees, and officers;

(6) legal actions, including but not limited to a civil or criminal suit, grand jury action, jury trial, settlement, plea, or conviction;

(7) the death, assassination, or attempted killing of a person or group of persons, or mass casualty events;

(8) short-term weather events or conditions;

(9) events in popular culture, including but not limited to awards and the date a piece of entertainment will be released; and

(10) whether a person will make a particular statement.

(f) "Wager" means a contract, including a prediction market contract, whereby the parties to the contract agree to a gain or loss by one to the other of money, property, or benefit.

4.1 Subd. 2. **Prediction markets; hosting prohibited.** A person is guilty of a felony if the
4.2 person, for consideration and as part of a business:

4.3 (1) creates a prediction market;

4.4 (2) operates, manages, or controls a platform or system intending that consumers will
4.5 use the platform or system to make wagers in a prediction market;

4.6 (3) intentionally facilitates the operation of a prediction market by:

4.7 (i) identifying or listing events knowing the events will be used by consumers to make
4.8 wagers;

4.9 (ii) accepting, holding, or directing the disposition of funds or other things of value for
4.10 the purpose of allowing consumers to make wagers or to settle wagers made by consumers;

4.11 (iii) determining, administering, or enforcing the terms, pricing, or settlement of wagers
4.12 made by consumers;

4.13 (iv) regularly or continuously acting as a counterparty to wagers made by consumers by
4.14 entering into a wager, offering to enter into a wager, or taking a temporary position in a
4.15 wager that may be replaced by a different consumer; or

4.16 (v) setting or adjusting the prices, odds, or terms that apply to wagers entered into by
4.17 consumers;

4.18 (4) provides data, information, or verification services, including the provision of event
4.19 outcomes, directly to a prediction market knowing that the data, information, or verification
4.20 services will be used to allow consumers to make wagers or to settle wagers made by
4.21 consumers in violation of this section; or

4.22 (5) provides supportive services to a prediction market or consumer knowing that the
4.23 services will be used to identify a consumer's location, transfer funds, or make or process
4.24 payments for the purpose of allowing consumers to make wagers or to settle wagers made
4.25 by consumers in violation of this section.

4.26 Subd. 3. **Prediction markets; advertising prohibited.** Whoever advertises or markets
4.27 financial or technological products that promote transactions prohibited under this section
4.28 is guilty of a felony.

4.29 Subd. 4. **Exceptions.** Subdivision 2 does not apply to:

4.30 (1) activities that are not bets under section 609.75, subdivision 3; and

4.31 (2) contracts authorized and regulated under chapters 59A to 79A.

- 5.1 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to crimes
- 5.2 committed on or after that date."
- 5.3 Renumber the sections in sequence and correct the internal references
- 5.4 Amend the title accordingly