

1.1 moves to amend H.F. No. 4353 as follows:

1.2 Page 1, delete section 2 and insert:

1.3 "Sec. 2. Minnesota Statutes 2024, section 240.131, subdivision 6, is amended to read:

1.4 Subd. 6. **Source market fees; payment; distribution.** (a) It is the intent of the legislature
1.5 that the proceeds of advance deposit wagering authorized by this chapter be used to support
1.6 and improve the horse racing industry in Minnesota by improving purses, supporting
1.7 breeding, and ensuring that the industry is adequately regulated for the protection of all
1.8 participants.

1.9 (b) Source market fees for races conducted inside the state shall be established by contract,
1.10 must be not less than six percent, and are in addition to other contractual fees such as host
1.11 fees. Source market fees for races conducted outside the state shall be established by contract,
1.12 must be not less than 3.25 percent, and are in addition to other contractual fees such as host
1.13 fees.

1.14 (c) Except as provided in paragraph ~~(e)~~ (f), a class A or class B licensee shall pay all
1.15 source market fees it receives from an ADW provider as follows:

1.16 (1) 28 percent to a licensed racetrack that primarily conducts standardbred horse racing;
1.17 and

1.18 (2) 72 percent to a licensed racetrack that primarily conducts Thoroughbred and Quarter
1.19 Horse racing.

1.20 (d) Of the total source market fees received by a licensed racetrack under paragraph (c)
1.21 for races conducted outside the state, at least 50 percent must be set aside for breeders
1.22 awards and purses. Of the amount set aside: (1) at least 33 percent shall be paid by the
1.23 racetrack to the state for deposit to the breeders fund and must be expended solely for
1.24 breeders awards in accordance with section 240.18, subdivisions 2, paragraph (d), clause

2.1 (2), and 3, paragraph (b), clause (2); and (2) the remainder shall be paid by the racetrack to
2.2 purse accounts for races held at the racetrack pursuant to agreements between the racetrack
2.3 and the horsepersons' associations that represent a majority of the type of breed that races
2.4 at the track.

2.5 (e) Of the total source market fees received by a licensed racetrack under paragraph (c)
2.6 for races conducted within the state, 100 percent must be set aside for purses and paid by
2.7 the racetrack to the purse account for races held at the racetrack pursuant to agreements
2.8 between the racetrack and the horsepersons' associations that represent a majority of the
2.9 type of breed that races at the track.

2.10 ~~(e)~~ (f) No source market fees shall be paid by a class A or class B licensee to a licensed
2.11 racetrack whose license has been revoked or not renewed under this chapter. In the event
2.12 that a racetrack's license has been revoked or not renewed, source market fees otherwise
2.13 payable to that racetrack by a class A or class B licensee under this section shall be paid to
2.14 the other licensed racetrack.

2.15 Sec. 3. Minnesota Statutes 2024, section 240.131, is amended by adding a subdivision to
2.16 read:

2.17 Subd. 10. **Paid advertising restrictions.** A licensed racetrack must not use paid off-track
2.18 advertising intended to promote the ability to place online or mobile wagers on horse races
2.19 conducted at a racetrack located in Minnesota. This subdivision does not apply to content
2.20 posted on a racetrack's official website, social media accounts, or livestream broadcasts of
2.21 horse races.

2.22 Sec. 4. **RESTRICTIONS ON GAMBLING EXPANSION.**

2.23 Nothing in this act authorizes any form of gambling or wagering not otherwise authorized
2.24 under Minnesota law at the time of enactment."

2.25 Amend the title accordingly