

JEFF LANDRY
GOVERNOR



CHRISTOPHER B. HEBERT
CHAIRMAN

December 5, 2025

Via Email or Certified Mail

RE: Advisory Notice Regarding Prediction Markets

To Whom It May Concern:

The Louisiana Gaming Control Board (the "Board") is aware that certain licensees, permittees, and associated persons (hereinafter, collectively "Regulated Parties") may be exploring opportunities to operate, offer, or otherwise facilitate access to prediction markets, platforms, or event-based contracts tied to future events or values. The Board understands that many of these markets involve purported contracts on sporting events. It is the Board's position that such activities constitute sports wagering activity under Louisiana law and are not being conducted in compliance with Louisiana Gaming Control Law or under a valid Louisiana issued license or permit.

The Board has broad authority under Louisiana Gaming Control Law, La. R.S. 27:1 *et seq.*, the Louisiana Fantasy Sports Contests Act, La. R.S. 27:301 *et seq.*, and the Louisiana Sports Wagering Act, La. R.S. 27:601 *et seq.*, as well as their respective administrative rules. The Board exercises jurisdiction over all gaming activity within the state and holds the powers necessary to protect the integrity of the industry and maintain public confidence. The Board issues this advisory to make it clear that any direct or indirect involvement in the operation, offering, or facilitation of sporting event contracts may affect a Regulated Party's suitability for licensure or permitting in Louisiana.

Not only do these "contracts" related to sports wagers, and, possibly, other contracts fit the definitions of gambling under La. R.S. 14:90 and 14:90.3, but La. R.S. 27:602 includes "exchange wagering" as a "sports wager" under the Louisiana Gaming Control Board's jurisdiction and licensing. The Board considers purported sporting event contracts and certain other event contracts as illegal gambling in violation of the Louisiana Criminal Code and Louisiana Gaming Control Law. Illegal sports wagering may occur whether the contract is listed on an exchange regulated by the Commodity Futures Trading Commission ("CFTC") or elsewhere. Examples of event contracts that the Board considers to be illegal wagering subject to its jurisdiction include event contracts based on the outcome or partial outcome of any sporting or athletic event, or other selected events ("Sports and Other Event Contracts").

Sports and Other Event Contracts may be offered in Louisiana only if the offering entity possesses a sports wagering gaming license or permit in Louisiana and meets the other requirements for sports wagering. If a Regulated Party chooses to offer Sports and Other Event Contracts in Louisiana or decides to partner with other entities offering Sports and Other Event Contracts in the state, the Board will consider these developments as it evaluates the suitability of the entity to maintain a Louisiana gaming license or permit. Moreover, if a Regulated Party offers Sports and Other Event Contracts in another state without complying with the other state's restrictions or licensing regime, partners with another entity that engages in such activities, or acts in violation of a compacted tribal right, the Regulated Party may be subject to administrative action by the Louisiana Gaming Control Board. The Board will evaluate the totality of a Regulated Party's conduct, both within and outside Louisiana. A Regulated Party has a continuing duty to inform the Board of any action which could reasonably be believed to constitute a violation of Louisiana Gaming Control Law and its administrative rules.¹

The Board is aware that some Regulated Parties may consider offering or accessing these event-based products through affiliates, common ownership structures, related entities, or third parties. The Board's authority extends to the conduct of the Regulated Party and to the conduct of its owners, officers, directors, employees, and related entities. A Regulated Party's involvement in offering sports events contracts in another jurisdiction without complying with that jurisdiction's laws may call into question the Regulated Party's character, honesty, and integrity. The Board does not consider Sports and Other Event Contracts as commodities transactions regulated by the CFTC. Regardless of how the platform labels the product, the determinative factor is the underlying event and/or activity. Louisiana law is clear that such activities are gaming, and cannot be offered in this state without a license or permit issued by the Board.

The Louisiana Constitution grants the Board exclusive jurisdiction over gaming within the state and prohibits any gaming activity unless conducted pursuant to a license or permit issued by the Board. As a result, no person or entity may offer, accept, facilitate, or in any way enable sports wagering in Louisiana unless the activity is conducted by a licensed or permitted operator through an approved sports wagering platform and exclusively on events included in the Board's Sports Wagering Catalog. Any event-style "contract," "swap," "market," or other "financial instrument" that allows individuals to stake value on the outcome of a sporting event, other than by a Board licensed or permitted sports wagering operator, constitutes illegal gambling.

As outlined above, such activity constitutes gaming in Louisiana and is illegal activity under Louisiana's Constitution and gaming laws, unless licensed and regulated by the Board. Not only is such activity illegal under Louisiana law, but the Commodities Exchange Act and the CFTC's regulations prohibit event contracts related to gaming and activities which are illegal under state law. As it is the Board's position that these contracts are both gaming and illegal, the Board sees no defense to offering such activity pursuant to a CFTC license. The Board reminds Regulated Parties to be mindful of their obligations to maintain suitability and comply with all applicable laws in all jurisdictions where they operate. Further, the Board will consider any such conduct when evaluating suitability for new applications filed pursuant to Louisiana Gaming Control Law.

¹ See La. R.S. 27:28 and 42 LAC Pt VI, § 311.

Sincerely,

LOUISIANA GAMING CONTROL BOARD

BY: 
CHRISTOPHER B. HEBERT, CHAIRMAN

CH/II

cc: Major Adam Albright, Louisiana State Police, Gaming Enforcement Division
Captain William Bosworth, Louisiana State Police, Gaming Enforcement Division
Captain Jonas Martin, Louisiana State Police, Gaming Enforcement Division
Director Dawn M. Himel, Louisiana Office of the Attorney General, Gaming Division
Deputy Director, Matthew Meek, Louisiana Office of the Attorney General, Gaming Division