Gary Kalbaugh Quoted in Bloomberg on the Line Between Prediction Markets and Gambling

Date: 08/06/26

Cahill partner Gary Kalbaugh was featured in a *Bloomberg Law* Deep Dive examining recent lawsuits against a major online sportsbook and the ongoing regulatory debate over whether prediction markets are financial hedging instruments under the CFTC's exclusive jurisdiction or wagers subject to state gambling laws. The litigation involves a hybrid operator offering both traditional sports betting and prediction market contracts, giving courts a rare opportunity to compare the two products side by side within a single company.

"The fact that they're using an introducing broker kind of insulates them from a lot of litigation," Gary said, noting that states' disputes have largely targeted contract markets.

Federal judges have recently sided with states in related cases, and the outcome of these suits could shape the regulatory landscape for the multibillion-dollar prediction market industry.

Read the full article: DraftKings Suits Will Help Compare Hedging Tools With Gambling

Attorney

- Gary E. Kalbaugh

Practices

- CahillNXT – Digital Assets & Emerging Technology
- Commodities, Futures & Derivatives