



Governor Ned Lamont

Fact Sheet: 2026 Legislative Proposal

HOUSE BILL 5038

AN ACT PROHIBITING PREDICTION MARKET PLATFORMS FROM ALLOWING USE BY OR ADVERTISING TO CONSUMERS UNDER THE AGE OF TWENTY-ONE

The Current Situation

Prediction markets are online platforms that allow individuals over the age of 18 to buy a position on the outcome of a future event involving sports, elections, current events, and many other topics. These platforms exploded in popularity in 2025, with weekly trading volumes exceeding a billion dollars and full integration into mainstream finance and sportsbooks apps¹

The lines between investing, betting, speculating, and gambling have been blurred, which can be especially harmful to those under the age of 21. Prediction markets, while not federally defined as gaming or gambling, operate much like sports betting and share many characteristics that present risks for addiction *without* the established statewide consumer protections. These platforms can be linked to compulsive behaviors, financial distress, and high-risk gambling patterns, especially among impulsive individuals. These platforms use predatory advertising and embed tactics to lure consumers in under the guise of financial “trading” or “investing” specifically targeting young people. Many college students and those under 21 turn to prediction markets because they can be accessed at 18 unlike legal gambling or sports betting.

¹ <https://dune.com/prediction-markets-report>

Governor Lamont's Solution

Prohibit anyone under the age of 21 from opening a speculative position on a prediction market platform. Prohibit prediction market platforms from targeting advertisements to consumers under the age of 21, including students on college campuses. Require prediction market platforms to institute systems for voluntary self-exclusion. Allow the Attorney General to impose civil penalties for violations. Require the Department of Consumer Protection to study and report on recommendations for regulating prediction markets.

This bill does not seek to settle the legal discourse around whether prediction markets constitute gaming, gambling, or investing—that will be settled by the judicial system. However, it is the responsibility of this administration to protect the state’s partnership with its two federally recognized tribes, and protect those under 21 from early exposure to addictive markets.