Gambling for Children? How U.S. Law Fails to Regulate Loot Boxes

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Imagine a twelve-year-old spending real money on virtual packs in *FIFA*, hoping for a rare player. They pay real money, press a button, and an animation spins before revealing what they have "won." This situation mirrors a slot machine more than a simple video game. Yet, loot boxes are almost entirely unregulated in the United States.

In American Jurisprudence, gambling is generally defined by the following elements: "(1) players stake or risk something of value, (2) chance is a material factor, and (3) successful play is rewarded by something of value."[1] By this definition, loot boxes satisfy each element. Players exchange real money (or in game currency purchased with real money) for a randomized reward.[2] The contents of each pack, whether a rare soccer player in *FIFA* or a rare weapon skin in *Counterstrike*, are determined entirely by chance.[3] While the prizes are digital, they carry real value within online marketplaces and player-based economies.[4] The "win" of unboxing a rare item triggers the same psychological reinforcement loop as other forms of gambling.[5] Despite these similarities, loot boxes are not legally classified as gambling.[6]

Other countries have taken a more aggressive stance on regulating loot boxes. For example, in 2018, the Belgian Gambling Commission began heavily regulating loot boxes as a form of gambling.[7] In response, major game companies decided to disable loot boxes in Belgium, making players unable to legally purchase them.[8] Several U.S. states, such as Minnesota, have introduced similar legislation to ban, or at least regulate, the purchase of loot boxes.[9] However, no legislation

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[1] John A. Gebauer, 38 Am. Jur. 2d *Gambling* § 2 (May 2025 update).
[2] Skadden, Arps, Slate, Meagher & Flom LLP, *Video Gaming: Is My Loot Box Legal?* (Sept. 26, 2019), https://www.skadden.com/insights/publications/2019/09/video-gaming-is-my-loot-box-legal.
[3] Tom Usher, *Does FIFA Ultimate Team Risk Turning Players into Gambling Addicts?*, The Guardian (Feb. 4, 2020), https://www.theguardian.com/commentisfree/2020/feb/04/fifa-ultimate-team-gambling-french-lawsuit-ea-video-game-card-packs [https://perma.cc/2F7M-QBJN].
[4] See Henrique S., *How CS:GO Skins Market Explains Basic Economics*, Medium (Jan. 19, 2021), https://hens.medium.com/how-cs-go-skins-market-explains-basic-economics-21180774227b [https://perma.cc/ZC4S-CMGG].
(explaining virtual goods pricing, supply and demand, and economic value in gaming economies).
[5] Jason Wosborne, *How Loot Boxes in Children's Video Games Encourage Gambling*, Forbes (May 25, 2023), https://www.forbes.com/sites/jasonwosborne/2023/05/25/how-loot-boxes-in-childrens-video-games-encourage-gambling/ [https://perma.cc/DRE6-9U58].
[6] Skadden, Arps, Slate, Meagher & Flom LLP, *Video Gaming: Is My Loot Box Legal?* (Sept. 26, 2019), https://www.skadden.com/insights/publications/2019/09/video-gaming-is-my-loot-box-legal.
[7] VGFB, *Loot Boxes in Belgium*, https://vgfb.be/loot-boxes-in-belgium/ [https://perma.cc/5N5F-ZNBF]. (last visited Oct. 10, 2025).
[8] *Id.*
[9] H.F. 4460, 90th Leg. (Minn. 2018), https://www.revisor.mn.gov/bills/90/2018/0/HF/4460/versions/0/ [https://perma.cc/5YUB-TWBF].

on the matter has been successful on a national scale. In 2019, a bill proposing to heavily regulate loot boxes was introduced into the Senate, but it is still sitting in committee.[10]

The lack of federal regulation leaves millions of young players exposed to gambling with no meaningful consumer protections. Unlike casinos, which are subject to strict licensing, age restrictions, and disclosure requirements, game developers face very little oversight when deploying similar tactics in online video games.[11] As technology continues to blur the line between gaming and gambling, lawmakers must decide whether to treat loot boxes as harmless fun or predatory monetization. Until they do, many popular video games function as online casinos, leaving minors at risk.

[10] S. 1629, 116th Cong. (2019), https://www.congress.gov/bill/116th-congress/senate-bill/1629/all-actions.
[11] 31 C.F.R. Part 1021 — Rules for Casinos and Card Clubs, e-CFR (current ed.), https://www.ecfr.gov/current/title-31/subtitle-B/chapter-X/part-1021 [https://perma.cc/WJW3-7RQT].