



EDNY Sports Gambling Indictments Signal Expanding Federal Enforcement

On October 23, 2025, Portland Trail Blazers head coach Chauncey Billups and Miami Heat guard Terry Rozier, along with 30 others, were arrested in connection with federal gambling and organized crime probes in the Eastern District of New York (EDNY).¹ Days later, on October 28, the NBA issued an urgent memo outlining ways to protect players, and the league itself, from the “dire risks” of sports gambling.² Taken together, the arrests, indictments, and league response are setting off clear alarm bells for any organization that handles high-stakes data or insider information.

As it relates to the recent arrests, the EDNY indictments allege two separate schemes involving Coach Billups and Rozier. The first centers on Billups and others allegedly participating in fixed high-stakes poker games connected to organized crime families, which prosecutors claim led to losses of approximately \$7 million among participants.³ The second involves Rozier, who is accused of providing insider information about player status and faking an injury during a game as part of a scheme to benefit certain sports bettors.⁴ As the NBA season begins, these indictments highlight serious compliance and integrity concerns, demonstrating how even a single leak or act of misconduct by someone with access to insider information can influence betting markets and trigger potential criminal exposure.

Once limited to wins and losses, points, and other straightforward outcomes, sports gambling has evolved significantly with the rise of online sportsbooks. Now, in the era of micro and data-driven betting, participants can wager on individual moments, player prop markets, and even injury-related outcomes. Such bets can include points, assists, rebounds, turnovers, or the next basket or free throw. With the accessibility of mobile betting apps and websites, this boom in micro betting has introduced new layers of risk, particularly in environments where insider information can be used to influence markets or outcomes.

The EDNY indictments against Billups and Rozier rely primarily on broad federal conspiracy statutes, 18 U.S.C. § 1349 (conspiracy to commit wire fraud) and 18 U.S.C. § 1956(h) (conspiracy to commit money laundering).⁵ These charges illustrate the government’s ongoing efforts to apply traditional white-collar and racketeering tools to the modern sports gambling

¹ [NBA head coach and player arrested in gambling probe | AP News](#)

² [NBA memo addresses the need to assess 'dire risks' of gambling - ESPN](#)

³ [NBA head coach and player arrested in gambling probe | AP News](#)

⁴ *Id.*

⁵ [gov.uscourts.nyed.537428.1.0.pdf](#)

market. Under § 1349, the government need only prove an agreement and intent to commit wire fraud, not that the underlying fraud succeeded.⁶ Similarly, § 1956(h) request that the government show a willful agreement to conceal or transfer proceeds of unlawful activity.⁷ Both provisions carry severe penalties and forfeiture exposure.

From a defense perspective, these theories raise key questions. First, prosecutors will need to establish criminal intent and knowledge, proving that defendants knowingly joined a fraudulent scheme, not merely engaged in gambling or shared information without realizing it's potential implications. Second, materiality will likely be central: the government must show that any alleged insider information was truly non-public and that it materially influenced betting markets or outcomes.

These cases also test the boundaries of current federal gambling enforcement in an era of legalized sports betting and evolving real-time wagering. With micro-betting markets changing within seconds, questions arise about whether existing statutes written for traditional gambling operations fit within today's digital and data-driven environment.

As the indictments progress, defendants will need counsel experienced in both white-collar defense and emerging gambling law, capable of navigating the overlap between criminal, regulatory, and league-level proceedings. As an experienced white-collar defense firm, Kaplan Marino is well-equipped to navigate the complex intersection of sports, data, and federal enforcement. Our attorneys draw on deep experience in conspiracy, fraud, and money-laundering cases to advocate for our clients and achieve the best possible outcomes.

⁶ [18 U.S.C. 1349: Conspiracy to Commit Fraud Explained - LegalClarity](#)

⁷ [Justice Manual | 2167. Jury Instruction -- Conspiracy -- 18 U.S.C. § 1956\(h\) | United States Department of Justice](#)