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April 30, 2026

Christopher Kirkpatrick, Secretary
Commodity Futures Trading Commission
Three Lafayette Center, 1155 21st Street NW
Washington, DC 20851
Via Online Submission

RE: Public Comment in Response to Advance Notice of Rulemaking – Proposed Rule 91 FR 12516

Secretary Kirkpatrick,

These comments are submitted on behalf of the Missouri Gaming Commission (the "MGC"). The MGC regulates charitable bingo, casino gambling, fantasy sports, and sports wagering in the state of Missouri. Missouri's regulatory system of legalized gaming is designed to protect Missouri patrons, generate revenue for the state, and support economic activity for Missouri residents and businesses. Licensed and regulated gaming activity in the state ensures that each operator conducts its business with rigorous oversight, funds and supports problem gaming treatment and self-exclusion programs, ensures against underage or fraudulent account or wagering activity, identifies suspicious gambling activity to protect the integrity of the regulated activity, pays substantial taxes that fund worthy causes in the state, and abides by stringent anti-money laundering requirements beyond those of even financial institutions. This framework under which licensed and regulated operators conduct their business allows gaming in Missouri to flourish in a safe manner while doing the utmost to uphold the integrity of the industry and support numerous worthy causes. Regulated gaming in Missouri supports the Missouri Veterans Commission Capital Improvement Trust Fund, the Missouri National Guard Trust Fund, the MO College Guarantee/Access Missouri Financial Assistance Fund, the Compulsive Gamblers Fund, and also provides financial support for elementary and secondary education in the state.

Prediction market platforms that offer event contracts on sporting events or gaming activities undermine the regulated industry around the country, including in Missouri. There is no functional difference between a contract where a consumer buys a position on the outcome of a sporting event or athlete's performance and a legal and regulated wager made on those same events or performances. The only difference is one of these is done without the protections offered by a regulated industry and without the benefit to the causes supported by regulated gaming in each jurisdiction where it is offered. As a result, these unregulated platforms draw in Missouri consumers and the money those consumers wager on unregulated platforms pulls from the causes that benefit Missouri citizens.

Further, legislative history suggests that Congress did not intend futures markets to encompass gambling activities. Senator Blanche Lincoln stated that the 2010 amendments to the Commodity Exchange Act ("CEA") were intended to stop gambling via futures markets. Her aim was to restrict event contracts involving gaming or government actions. She further stated that contracts solely for betting that did not contemplate an economic purpose would be contrary to public interest. Gary Gensler, the former chair of the Commodity Futures Trading Commission ("CFTC"), referred to sports event contracts as sports betting and further stated that he never interpreted the actions of Congress as those intended to place the oversight of sports wagering with the CFTC.

With this background, the MGC submits the below comments.

1. Event contracts contingent on the outcome of sporting events or an athlete's performance are not swaps or commodities under the CEA, but rather these activities constitute sports wagering or gaming activities barred by 17 CFR § 40.11(a), which prohibits event contracts based on gaming.

2. 17 CFR § 40.11(a) separately prohibits event contracts involving unlawful activity. Article III, Section 39(g) of the *Missouri Constitution* grants the authority to the Missouri Gaming Commission to regulate sports wagering in the state of Missouri. To conduct such activities, operators must apply for and be found suitable for the applicable license. Further, the MGC has the authority to discipline licensees and those who should hold a license for their activities. Unlicensed sports event contracts constitute unregulated and unlawful activity in Missouri and therefore violate 17 CFR § 40.11(a).

3. Gaming regulation is properly left to the states. Congress, through its action or inaction, has repeatedly reinforced its deference to state law and state authority to regulate gaming and wagering activities. For example, when the Supreme Court struck down the Professional and Amateur Sports Protection Act ("PASPA"), it noted that Congress was free to address federal regulation of gambling. If Congress did not act, however, each state must be free to act on its own. Additionally, the Wire Act prohibits the transmission of wagers across state lines but does not intrude on the ability of states to accommodate activity authorized within their borders.

4. States are not only the proper regulator for wagering activities, but each state has far more capability to enact and enforce consumer protection laws and rules specifically tailored to the legal framework of wagering within its borders. Missouri, for example, has robust regulations related to consumer protection, self-exclusion, problem gaming, know your customer ("KYC") and fraud prevention, the identification and investigation of suspicious wagering activity, and anti-money laundering ("AML"). These regulations allow the MGC to actively ensure the integrity of the gaming activities in the state. Of late, events contracts have faced scrutiny related to insider trading, KYC and AML deficiencies, and market manipulation. The CFTC, while capable and competent in its own right, lacks the available tools to sufficiently address these concerns in an industry with millions of real-time wagers each and every day.

The MGC respectfully urges the CFTC to retain and enforce 17 CFR § 40.11. The MGC further respectfully urges the CFTC to properly reserve jurisdiction over sports events contracts for the states, as intended by Congress. Missouri's lawful gaming industry began and has grown through constitutional

amendments, state legislative action, and over three decades of regulatory experience. Missouri, and other states, have the authority and the tools necessary to ensure consumer protection and protect the integrity of the regulated industry while providing millions of dollars to worthy causes in the state.

The MGC thanks the CFTC for the opportunity to provide public comments on this matter.

Sincerely,

Michael A. Leara
Executive Director
Missouri Gaming Commission