LAC COURTE OREILLES TRIBAL GOVERNING BOARD
Pride of the Ojibwe

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RESOLUTION NO. 2026-68

PROTECTING TRIBAL SOVEREIGNTY AND INDIAN GAMING FROM THE ILLEGITIMATE EXPANSION OF COMMODITY FUTURES TRADING COMMISSION AUTHORITY

WHEREAS, the Lac Courte Oreilles Band of Lake Superior Chippewa Indians is a federally recognized Indian tribe ("Tribe") organized pursuant to the provisions of the Indian Reorganization Act of 1934, 25 U.S.C. §5101, et seq.; and

WHEREAS, the Tribal Governing Board serves as the governing body of Lac Courte Oreilles Band of Lake Superior Chippewa Indians pursuant to Article III, § 1 of the Amended Constitution and Bylaws of the Lac Courte Oreilles Band of Lake Superior Chippewa Indians ("LCO Constitution"); and

WHEREAS, Article V, § 1(h) of the LCO Constitution grants the Tribal Governing Board the power to "engage in any business that will further the social or economic well-being of members of the Band or undertake any programs or projects designed for the economic advancement of the people"; and

WHEREAS, Article V, § 1(n) of the LCO Constitution grants the Tribal Governing Board the power to "regulate, by enactment of ordinances, the conduct of business within the territory of the band, including the power to impose taxes or license fees upon members and non-members doing business within the reservation"; and

WHEREAS, Article V, § 1(s) of the LCO Constitution authorizes the Tribal Governing Board the authority to "promulgate and enforce ordinances governing the conduct of members of the Lac Courte Oreilles Band of Lake Superior Chippewa Indians of Wisconsin and providing for the maintenance of law and order and the administration of justice by establishing a tribal court and defining its duties and powers"; and

WHEREAS, the Tribal Governing Board takes this action to preserve for the Tribe and its descendants the inherent sovereign rights of the Tribe, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which the Tribe and its members are entitled under the laws and Constitution of the

United States and the United Nations Declaration on the Rights of Indigenous Peoples; and

WHEREAS, the Tribe exercises inherent sovereign authority over gaming activities on its Tribal lands pursuant to the Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. § 2701 et seq., and through a negotiated Tribal-State Gaming Compact with the State of Wisconsin, that carefully balance federal, state, and tribal interests; and

WHEREAS, Sports Related Events Contracts, "Sports Contracts," are future contracts that allow traders to bet on the likelihood of a specific sporting event; and

WHEREAS, Sports Contracts are traded on the futures market instead of traditional gambling venues; and

WHEREAS, continuing to allow illegitimate Sports Contracts to be listed and traded interferes with the sovereign right of Tribal Nations and states to exercise their police powers to regulate gaming within their respective territories; and

WHEREAS, listing and trading Sports Contracts would decimate the value of the bargained-for exchange between Tribal Nations and states in their gaming compacts when Tribal Nations share gaming revenues in exchange for substantial exclusivity over sports betting in their state; and

WHEREAS, listing trading Sports Contracts will siphon critically needed revenue that supports tribal and state governments and their citizens by avoiding tribal and state regulations of sports betting; and

WHEREAS, trading Sports Contracts is gaming (Class III) and violates tribal, state, and federal law; and

WHEREAS, listing and trading Sports Contracts directly violates the Commodity Exchange Act ("CEA"), and the plain language of the Commodity Futures Trading Commission ("CFTC") implements regulations because they involve gaming; and

WHEREAS, the "Special Rule" under the CEA, 7 U.SC. § 7a-2(c)(5)(C) includes "gaming" as a contract's underlying purpose that is contrary to the public interest, and the CFTC's regulations, 17 C.F.R. § 40.11(a), categorically prohibit event contracts that involve "gaming" or "activity that is unlawful under any State or Federal law"; and

WHEREAS, in enacting the CEA's Special Rule, Congress intended to prohibit sports betting via listing/trading event contracts:

> "That is our intent . . . to prevent derivatives contracts that are contrary to the public interest because they exist predominantly to enable gambling through supposed 'event contracts.' It would be quite easy to construct an 'event contract' around sporting events such as the Super Bowl, the Kentucky Derby, and Masters Golf Tournament. These types of contracts would not serve any real commercial

purpose. Rather, they would be used solely for gambling."

Senator Lincoln Colloquy on Senate Floor, 156 Cong. Rec. S5906-5907 (2010); and

WHEREAS, in addition to violating federal law under the CEA and the Wire Act, Sports Contracts also violate IGRA and its implementing regulations; and

WHEREAS, under IGRA (25 U.S.C. § 2710(d)(1)), Class III gaming activity conducted on Indian lands is lawful only when such activity is: (1) authorized by a tribal ordinance or resolution; (2) located in a state where such gaming is permitted; and (3) conducted pursuant to an IGRA compact; and

WHEREAS, numerous Indian tribes and states have sued the CFTC for violating tribal and state law by allowing Sports Contracts to be traded; and

WHEREAS, legislation (H.R. 7840/S. 4160) has been introduced to limit the type of event contracts, including Sports Contracts, available for wagers; and

WHEREAS, Sen. Adam Schiff, sponsor on the Senate companion bill, stated it is "time for Congress to step in and eliminate this backdoor which violates state consumer protections, intrudes upon tribal sovereignty and offers no public revenue"; and

WHEREAS, the CFTC issued an Advance Notice of Proposed Rulemaking on March 16, 2026, to seek information and public comment on statutory core principles and Commission regulations that apply to prediction markets, the types of event contracts that may be prohibited as contrary to the public interest, cost-benefit considerations related to prediction markets, and other topics", with such written comments being due by April 30, 2026.

NOW THEREFORE BE IT RESOLVED, that the Tribal Governing Board, pursuant to its Constitutional authority, formally opposes the offering, listing, facilitation, or clearing of event contracts, prediction markets, or similar instruments based upon sporting events or casino-style games by entities registered under the Commodity Exchange Act; and

BE IT FURTHER RESOLVED, that the Tribal Governing Board, pursuant to its Constitutional authority, hereby opposes the United States Commodity Futures Trading Commission initiating or drafting regulations that would solidify or give the appearance of legitimizing Sports Contracts; and

BE IT FURTHER RESOLVED, that the Tribal Governing Board, pursuant to its Constitutional authority, supports Congress in amending the Commodity Exchange Act to expressly prohibit registered entities under the Commodity Exchange Act from listing, facilitating, or clearing any agreement, contract, or transaction that is based upon, references, or derives its value from:

1. any sporting event or athletic competition, whether live, simulated, or virtual; or

2. any casino-style game, including digital or simulated versions of such games; and

BE IT FURTHER RESOLVED, that the Tribal Governing Board, pursuant to its Constitutional authority, urges Congress to reaffirm that the regulation of sports wagering and casino-style gaming remains governed by applicable federal Indian gaming law, Tribal-State compacts, and state law, and not by federal commodities law; and

BE IT FINALLY RESOLVED, that the Tribal Governing Board, pursuant to its Constitutional authority, permits its members and designated legal counsel to communicate this Resolution to the President of the United States, the leadership of the United States Senate and House of Representatives, the Chairs and Ranking Members of the relevant congressional committees, and the Commodity Futures Trading Commission.

CERTIFICATION

I, the undersigned, as Secretary/Treasurer of the Lac Courte Oreilles Tribal Governing Board, hereby certify that the Tribal Governing Board is composed of seven (7) members, of whom **4** being present, constituted a quorum at a meeting thereof, duly called, convened, and held on this **28th day of April, 2026**, that the foregoing Resolution was duly adopted at said meeting by an affirmative vote of **3** members, **0** against, **0** abstaining, and that said Resolution is a lawful act of the Tribe.

Michelle Beaudin

Michelle Beaudin, Secretary/Treasurer
Lac Courte Oreilles Tribal Governing Board