NATIONAL CATTLEMEN'S BEEF ASSOCIATION
CENTER FOR PUBLIC POLICY

April 30, 2026

Mr. Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street NW
Washington, DC 20581

Via CFTC Online Portal Submission: Public Comment Form - CFTC

RE: Request for comments on event contract derivatives traded on prediction markets

Dear Mr. Kirkpatrick:

The National Cattlemen's Beef Association (NCBA) appreciates the opportunity to submit comments to the Commodity Futures Trading Commission (CFTC) regarding the advanced notice of proposed rulemaking (ANPR) on event contract derivatives traded on prediction markets. NCBA is the oldest and largest national trade association representing the interests of the U.S. cattle industry, with over 178,000 members represented through direct membership and our 44 state affiliate organizations. Additionally, NCBA also appreciates the continued work of the CFTC to address agricultural perspectives at the agency, including the continuation of the Agricultural Advisory Council and the Agricultural Commodities Futures Conference.

First and foremost, NCBA supports strong, reliable derivatives markets that provide effective risk-management tools for the cattle industry. Since the CFTC's founding, agricultural commodities have been at the core of the agency's work, offering regulatory oversight of standardized contracts and markets that have allowed our industry to manage price risks with additional certainty and oversight.

Given the complexity and volatility of cattle commodity markets, we encourage the CFTC to spend significant time evaluating, addressing concerns and fully regulating these expanding prediction markets. As mentioned in the ANPR, the number of applications for the Designated Contract Market (DCM) registration, particularly for entities that are interested in operating prediction markets, has more than doubled in the last year. This raises concern that without proper engagement with industry and/or understanding of agricultural markets, these contracts may negatively affect price discovery and market liquidity in the traditional futures markets that our members rely heavily on.

For example, Kalshi, the leading exchange for prediction markets, recently launched their commodities hub [1] that allows participants to trade on a number of commodities, including the price of live cattle. We encourage DCM's entering into the agricultural commodities space to collaborate with agricultural industry organizations and industry stakeholders who utilize traditional futures markets for risk management purposes and understand the nuances of these markets. It's imperative that those entering into this marketplace understand that traditional markets are tied to real physical commodities, and major disruptions to these markets could negatively affect cattle producers' livelihoods.

Lastly, NCBA is a producer-driven and directed policy organization that relies on a formal grassroots policy process, which includes robust discussion from our members and works toward consensus to ensure all perspectives are represented. Given the limited availability of time to consider and discuss the ANPR and the early stage of these markets, we strongly encourage you to grant us additional time to thoughtfully evaluate and engage with our membership for specific policy recommendations. We encourage the CFTC to delay the rulemaking process until all relevant stakeholders have sufficient opportunity to provide substantive feedback to determine what further regulatory rules and frameworks for prediction markets should be put into place.

While we welcome innovation and competition in the marketplace, addressing new and evolving market structures requires time and collaboration. This ensures that any final framework or regulation produces a thoughtful and workable end product that allows our cattle producers, feeders, and other market participants to not only access and understand these new markets but to also protect the integrity and structure of the traditional futures markets that our producers have long utilized. We appreciate the CFTC for your willingness to engage with industry, and we look forward to continuing to work together to ensure these new markets provide producers with increased transparency, while operating in a responsible manner, free and clear of market abuse.

Sincerely,



Ethan Lane
Senior Vice President, Government Affairs
National Cattlemen's Beef Association

[1] Kalshi Doubles Down on Commodities, Announces Market Expansion and Dedicated Hub