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April 30, 2026

Christopher Kirkpatrick
Secretary
Commodity Futures Trading Commission
Three Lafayette Center, 1155 21st Street NW
Washington, D.C. 20581

Re: Advance Notice of Proposed Rulemaking – Prediction Markets (RIN 3038-AF65)

Secretary Kirkpatrick:

I write on behalf of the Nisqually Indian Tribe ("Tribe") and the Nisqually Red Wind Casino ("NRWC"), a tribally owned gaming enterprise of the Medicine Creek Enterprise Corporation ("MCEC"), the economic development arm of the Tribe, to submit comments regarding the Commodity Futures Trading Commission's ("CFTC") Advance Notice of Proposed Rulemaking ("Notice") concerning so-called "prediction markets."[1]

1. Introduction.

Nisqually Red Wind Casino ("NRWC") is a tribally owned gaming enterprise of Medicine Creek Enterprise Corporation ("MCEC"), the economic development arm of the Nisqually Indian Tribe ("Tribe"). The Tribe is a sovereign and federally recognized Indian tribe and the successor to the Nisqually band signatory to the Treaty of Medicine Creek.[2] NRWC operates as a tribal gaming facility on trust lands pursuant to the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 *et seq.* ("IGRA"), the Tribe's laws and regulations, and the Tribal-State Compact with the State of Washington.

The Tribe and surrounding communities realize significant economic benefits from NRWC's operations. Gaming revenues support essential governmental programs and services for tribal members, including healthcare, housing, education, cultural programs, and public safety, as well as broader community investments. Visitors to NRWC contribute to the regional economy, and NRWC is a significant employer, employing approximately 624 individuals, including tribal

[1] 91 Fed. Reg. 12516 (March 16, 2026) ("2026 ANPR").
[2] *See* Treaty of Medicine Creek, Dec. 26, 1854, 10 Stat. 1132 (treaty between the United States and, *inter alia*, the Nisqually band of Indians).

members and non-tribal employees. In sum, when NRWC thrives, the Tribe, its members, and surrounding communities likewise benefit.

Prediction market platforms – particularly those offering products that function as sports betting without complying with applicable legal and regulatory frameworks – pose a serious threat to NRWC's operations and, by extension, to the economic stability of the Tribe and surrounding communities. Many tribes face similar concerns, which is reflected in ongoing litigation and amicus participation by tribal governments and organizations addressing these platforms.[3]

The potential economic harm to NRWC—and, by extension, to the Tribe and surrounding communities—if prediction markets are permitted to offer gaming activities outside established regulatory frameworks gives NRWC a significant interest in the CFTC's rulemaking on this subject. Accordingly, NRWC submits the following comments for the CFTC's consideration.[4]

Our comments provide NRWC's general position regarding the CFTC's role in regulating prediction markets and then respond to certain questions included in the Notice.

NRWC also incorporates by reference the attached comment letters submitted by the Washington Indian Gaming Association and the Indian Gaming Association and adopts all non-redundant and non-conflicting comments contained therein as part of this submission.

2. To the extent that the CFTC has discretion to permit gaming-related event contracts, the CFTC should maintain the prohibition on such contracts.

The Commodities Exchange Act ("CEA"), 7 U.S.C. § 1 *et seq.*, established the CFTC and empowered it to regulate certain types of financial transactions "involving swaps or contracts of sale of a commodity for future delivery."[5] The Dodd-Frank Act of 2010 amended the CEA to, *inter alia*, create special rules for so-called "event contracts."[6] These rules provide that:

> the [CFTC] may determine that such agreements, contracts, or transactions are contrary to the public interest if the agreements, contracts, or transactions involve– (I) activity that is unlawful under any Federal or State law; (II) terrorism; (III) assassination; (IV) war; (V) gaming; or (VI) other similar activity determined by the Commission, by rule or regulation, to be contrary to the public interest.[7]

Legislative history related to the Dodd-Frank amendments shows that Congress never intended for the CEA to allow event contracts that functioned as gaming activities. Senator Blanche Lincoln, who drafted the amendments, stated that the provisions referred to above were meant to "prevent

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[3] *See, e.g., Blue Lake Rancheria, et al. v. Kalshi Inc., et al.*, No. 25-cv-06162-JSC, 2026 WL 1076004 (N.D. Cal. 2026).

[4] NRWC's submission of these comments does not substitute for government-to-government consultation with the Tribe.

[5] 7 U.S.C. § 2(a)(1)(A). NRWC disagrees with, and does not concede, the position taken by various prediction market platforms that the CEA gives the CFTC "exclusive jurisdiction" over their contracts. *See Blue Lake Rancheria*, 2026 WL 1076004, at *1.

[6] 7 U.S.C. § 7a-2(c)(5)(C).

[7] *Id*.

gambling through futures markets" and would "protect the public interest from gaming contracts and other events contracts."[8] In response to a question regarding whether the CFTC would be empowered to "determine that a contract is a gaming contract if the predominant use of the contract is speculative as opposed to a hedging or economic use," Senator Blanche said:

> [t]hat is our intent. The [CFTC] needs the power to, and should, 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.[9]

As the legislative history makes clear, the amendments to the CEA were intended to give the CFTC the tools it needs to prohibit, rather than facilitate, event contracts as a vehicle for gaming activities. Consistent with this legislative intent, the CFTC's own existing regulations expressly prohibit event contracts that "involve[], relate[] to, or reference[]…"gaming" from being listed for trading or accepted for clearing on or through a registered entity.[10]

Notwithstanding this regulation, the CFTC has not taken any action to regulate prediction markets that offer sports betting and other gaming activities. We acknowledge that "gaming" is undefined in both the CEA and the CFTC's regulations. We also acknowledge that these prediction markets, in their own self-interest, have adopted creative explanations for why their offerings are not "gaming." However, an activity that involves wagering money on an event happening or not happening during a sports match, with a payout for correct wagers, could only reasonably be considered gaming.

The CEA, its legislative history, and the CFTC's current regulations are clear: event contracts that involve, relate to, or reference gaming are prohibited. Assuming that the CFTC has discretion to amend its regulations to authorize these types of event contracts, NRWC would fully oppose such a change.[11] Instead, we would request that the CFTC focus on enforcing the existing regulatory framework against prediction market platforms that are currently violating it.

To the extent that the CFTC sees an amendment to its regulations as necessary, we offer the comments below.

3. Event contracts for gaming are contrary to the general public interest, the public interests described in the CEA, and public interests that uniquely implicate tribes.

Section C.15 of the Notice states that:

> CEA section 5c(5)(C) lists five activities, and provides that if an event contract involves any such activity, the [CFTC] may determine that the event contract is contrary to the public

[8] 156 Cong. Rec. S5906 (2010).
[9] *Id*.
[10] 17 C.F.R. § 40.11(a)(1).
[11] NRWC does not concede that the CFTC has discretion in this context.

> interest. What factors should the [CFTC] consider in determining the scope of these five listed activities? What aspects of these activities would be relevant to the [CFTC]'s public interest determination?[12]

NRWC interprets the first question as asking what factors the CFTC should consider in determining whether an activity falls within the scope of "gaming." Section 4 includes recommendations for a proposed definition of gaming. Responsive to this question, NRWC recommends certain factors for the CFTC to consider to the extent the CFTC may consider a broader public interest than is set forth at Section 3(a) of the CEA, as discussed *infra*.

First, the CFTC should consider the potential for manipulation in gaming-related event contracts and the public interest in protecting against such market manipulation. Tribal and state laws relating to gaming include procedures for identity verification to attempt to, *inter alia*, prevent individuals who may impact the results of gaming outcomes from participating in bets or wagers.[13] Despite these procedures, there are still incidents of market manipulation within gaming, although the design of the regulatory framework is intended to assist with the identification of incidents of manipulation.[14] Notably, this is not an unfamiliar problem for so-called prediction markets, which are not required under existing laws to utilize similar procedures.[15] The lack of regulatory procedures for verification of market participants should incentivize the CFTC to continue to prohibit gaming-related event contracts.

Second, the CEA should consider the potential impacts on market participants. Problem gambling is a recognized mental health diagnosis that is connected to "gambling behavior that is damaging to a person or their family" such that a person may gamble even when they lack sufficient resources to bear the risk or where doing so may cause significant financial or other harms to them or their families.[16] Tribes and states that permit gaming often include requirements related to problem gaming resources, as well as mechanisms to prevent or limit certain market participants in order to address this problem.[17] If the CFTC can and does allow gaming-related event contracts, it is possible, if not likely that individuals who suffer from or are susceptible to problem gaming might participate.[18] This factor should incentivize the CFTC to maintain a prohibition on gaming-related

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[12] 2026 ANPR at 12521.

[13] *See e.g.*, Conn. Gen. Stat. § 12-864.

[14] *See e.g.*, David Purdum, *NBA bans Raptors' Jontay Porter for gambling violations*, ESPN (Apr. 17, 2024), https://www.espn.com/nba/story/_/id/39962406/nba-bans-raptors-jontay-porter-gambling-violations.

[15] Benjamin Weiser and Jonah E. Bromwich, *Soldier Used Classified Information to Bet on Maduro's Ouster, U.S. Says*, THE NEW YORK TIMES (Apr. 23, 2026), https://www.nytimes.com/2026/04/23/nyregion/polymarket-maduro-indictment-soldier.html.

[16] National Council on Problem Gambling, *FAQs: What is Problem Gambling?*, https://www.ncpgamb ling.org/help-treatment/faqs-what-is-problem-gambling/.

[17] *See e.g.*, 4 C.R.S. § 44-30-531 (Colorado law requiring licensees to promote responsible gaming); Conn. Gen. Stat. § 12-863 (Connecticut law detailing responsible gaming requirements, including offer of voluntary self-exclusion process); Tribal-State Compact For Class III Gaming Between the Nisqually Indian Tribe and the State of Washington (May 25, 1995), as amended (Fourth Amendment 2022), § VIII.F & App. E (establishing responsible gaming programs and related funding mechanisms, including contributions to problem gambling resources).

[18] While proponents of allowing gaming-related event contracts focus in on the distinctions between an "event contract" and the process undertaken to place a bet at a sportsbook or through a mobile sports betting application, it is difficult to see the distinction for a problem gambler between placing a bet that Cooper Kupp will have five receptions in a given game and purchasing an event contract dependent on the outcome that Cooper Kupp will have five receptions in a given game. There is not a sufficient difference in the market or the product for the CFTC to

event contracts because of the potential social harms of allowing market participants that suffer from mental health issues to purchase event contracts based on the outcome of events without any regulatory oversight. NRWC discusses this point further in Section 5.

In addition to these broader public interests that the CFTC should consider, Section 3(a) of the CEA lists enumerated public interests relevant to the CFTC's regulatory regime: "providing a means for managing and assuming price risks, discovering prices, or disseminating pricing information through trading in liquid, fair and financially secure trading facilities."[19] The enumerated public interests support the purpose of permitting traditional event contracts related to commodity prices (e.g., whether the price of aluminum will exceed or be below a certain value) because such event contracts allow the market to aggregate information about the sentiment of market participants and manage price risks. Conversely, gaming-related event contracts would be a poor mechanism to achieve those ends as, for example, the result of a sports event is determined by the participants in it and is not linked to market sentiment (e.g., seventy percent of prediction market users believing the Seattle Seahawks will make the National Football League playoffs does not have any correlation to whether such an event will occur).[20] There is no inherent value of price information or of assessing price risks that gaming-related event contracts would provide to unrelated market participants leaving the only meaningful purpose of purchasing such event contracts for such market participants to be gaming.[21] In other words, these gaming-related event contracts do nothing to advance the public interests listed in Section 3(a) and therefore the CFTC cannot find gaming-related event contracts to be in the public interest.

The CFTC further inquires at Section C.19(c) as to how the responsible innovation and fair competition goals in CEA Section 3(b) may be served by gaming-related event contracts.[22] As discussed further in this Section 3 and in Section 5, such goals cannot be served by gaming-related event contracts. The provision of gaming-related event contracts is not "innovative"; it is offering largely unregulated gaming to market participants contradictory to congressional intent. The lack of regulatory protections and disregard for tribal and state law can also not be characterized as "responsible." Further, the proponents of gaming-related event contracts rely upon circular logic that gaming-related event contracts cannot be bets or wagers as understood under tribal or state gaming laws because they are structured as event contracts.[23] In spite of this, for all intents and

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permit the problem gambler to purchase the event contract without the same protections they would have under tribal or state law.

[19] 7 U.S.C. § 5(a).

[20] In other words, for traditional "swaps", the market participants for such "swaps" are also participating more broadly in the market and there is some value in allowing the transactions for that reason (i.e., the market participants have a meaningful stake in the outcome and the pricing for it). Even more unique event contracts (e.g., relating to the weather in a particular area) more directly impact traditional commodities and pricing concerns in this way, as well. As discussed here, this is not true of sporting events, where it cannot be said that market participants have any meaningful stake in or benefit in knowing the price of Sam Darnold having a certain number of touchdowns.

[21] To the extent there is any value, it would only be to provide such price information to bettors, which already functionally occurs through the setting and adjustment of odds by bookmakers, or to allow bettors to hedge their bets (i.e., there is little, if any, non-gaming purpose for gaming-related event contracts that aligns with the CEA's enumerated public interests).

[22] 2026 ANPR at 12521.

[23] *See e.g.,* Brief for the CFTC, *North American Derivatives Exchange, Inc. et al. v. The State of Nevada et al.*, Case No. 2:25-cv-00978-APG-BNW, Dkt. No. 37.2 at *24–26 ["CFTC Amicus"].

purposes, the gaming-related event contracts offered by prediction markets today look, feel, and operate for the market participant functionally the same as betting at a sportsbook or through a mobile sports betting application. The fair competition goals would also not be served by gaming-related event contracts as tribal and state gaming operations are required to comply with a complex but necessary regulatory framework as discussed further herein to provide similar products and services to the market, which the CFTC argues prediction markets are not subject to.[24] In total, allowing gaming-related event contracts does not foster responsible innovation or fair competition but instead rewards an irresponsible attempt by prediction markets to flout tribal, state, and federal law.

Separate from the CEA's enumerated public interests and the considerations relevant to the general public discussed *supra*, there are other public interests which are implicated here specifically for tribes. The proposition of allowing prediction markets to provide gaming-related event contracts is likely to negatively impact the gaming industry, including tribal gaming. Tribal gaming and the economic opportunities that it provides are integral components of tribal sovereignty and self-determination, which are important public interests.[25] In 2024, tribal gaming generated $43.9 billion in revenue.[26] Many tribes dedicate such revenues to important governmental programs that benefit "tribal sovereignty, job growth, infrastructure, education, and important social, health, and welfare programs in tribal communities."[27] These benefits are not solely limited to tribal communities, as NRWC, in addition to supporting the Tribe's governmental services and programs, also brings economic benefits to non-Native communities around the Tribe's reservation.

In addition to the economic impacts on tribal and state governments that permit gaming, the CFTC should consider the legal and jurisdictional implications of permitting gaming-related event contracts. NRWC operates pursuant to a comprehensive regulatory framework that includes the Tribe's laws and regulations, the Tribal-State Compact with the State of Washington, and federal law, including IGRA and its implementing regulations. This framework addresses licensure, responsible gaming, anti-money laundering, and a range of other regulatory requirements designed to protect patrons, ensure market integrity, and advance the public interest. While the CFTC operates under a statutory framework intended to protect the public interest as set forth in the CEA, it does not provide comparable coverage of these gaming-specific regulatory concerns. Permitting gaming-related event contracts would therefore require the CFTC to establish and administer a substantially expanded regulatory regime addressing issues traditionally governed by tribal and state gaming authorities. Such a shift would extend well beyond the CFTC's established role and the purposes of the CEA.

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[24] *Id*. at *31.
[25] *See Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe*, 498 U.S. 505, 510 (1991) ("Congress[] desire[s] to promote the goal of Indian self-government, including its overriding goal of encouraging tribal self-sufficiency and economic development.") (citing *California v. Cabazon Band of Mission Indians*, 480 U.S. 202, 216 (1987)) (internal quotations omitted); *also see Breakthrough Mgmt. Group, Inc. v. Chukchansi Gold Casino & Resort*, 629 F.3d 1173, 1183 (10th Cir. 2010) ("One of the ways that Congress has promoted tribal sovereignty through economic development is … the authorization of Indian gaming.") (citing 25 U.S.C. § 2702(1))).
[26] Tribal Business News Staff, *Tribal gaming revenues hit record $43.9B as growth streak continues*, TRIBAL BUSINESS NEWS (Jul. 31, 2025), https://tribalbusinessnews.com/sections/gaming/15230-tribal-gaming-revenues-hit-record-43-9-billion-fourth-straight-year-of-growth.
[27] *Id*. (quoting National Indian Gaming Commission Vice Chair Jeannie Hovland).

4. The CFTC should look to tribal, state, and federal gaming laws to define "gaming" for purposes of the CEA.

Section C.19(a) of the Notice asks "What sources should inform the [CFTC]'s determination of the scope of the term 'gaming'?"[28] We interpret this question as asking for existing definitions of "gaming" that may serve as the basis for the CFTC to develop a definition for "gaming" within its regulations. There are a wealth of definitions of "gaming" or "gambling" for the CFTC to draw from under tribal, state, and federal law.[29] While these sources include some variance in defining "gaming", there is a general consistency across jurisdictions that should inform the CFTC's approach.

NRWC requests that the CFTC adopt a definition of "gaming" that is at least adequately scoped to prevent "event contracts" being used as a vehicle for gambling on sporting events and contests.[30] In particular, we request that the CFTC adopt a definition of gaming similar to the State of Connecticut's definition of "sports wagering", as follows:

> Gaming means the staking, risking, or accepting of anything of value for gain contingent in whole or in part, on the outcome of a contest or game involving skill or chance, including, but not limited to, (i) a live sporting event or a portion of a live sporting event, including future or propositional events during such an event; or (ii) the individual performance statistics of an athlete or athletes in a sporting event or a combination of sporting events.

Event contracts involving sports and contests are distinct from event contracts generally because allowing transactions related to the outcomes of sporting events and contests does not "provid[e] a means for managing and assuming price risks, discovering prices, or disseminating pricing

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[28] 2026 ANPR at 12521.

[29] *See e.g.*, 31 U.S.C. § 5362(1)(A) (defining "bet or wager" as "the staking or risking by any person of something of value upon the outcome of a contest of others, a sporting event, or a game subject to chance, upon an agreement or understanding that the person or another person will receive something of value in the event of a certain outcome") and 31 U.S.C. § 5362(10)(A) (defining "unlawful Internet gambling" to mean to "place, receive, or otherwise knowingly transmit a bet or wager by any means…."); 18 U.S.C. § 1084 (prohibiting "being engaged in the business of betting or wagering knowingly us[ing] a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest…."); 25 U.S.C. § 2703(6)-(8) (defining "class I gaming", "class II gaming", and "class III gaming"); Nev. Rev. Stat. § 463.0193 (defining "sports pool" to mean "the business of accepting wagers on sporting events or other events by any system or method of wagering."); Conn. Gen. Stat. § 12-850(34) (defining "sports wagering" to mean:

> risking or accepting any money, credit, deposit or other thing of value for gain contingent in whole or in part, (A) by any system or method of wagering, including, but not limited to, in person or through an electronic wagering platform; and (B) based on (i) a live sporting event or a portion or portions of a live sporting event, including future or propositional events during such an event; or (ii) the individual performance statistics of an athlete or athletes in a sporting event or a combination of sporting events.).

[30] NRWC does not concede that the CFTC should not be concerned with other types or aspects of "gaming", but given the comments of Senator Lincoln and Senator Feinstein included *supra* and the current activities of prediction markets, the prohibition of sports wagering through "event contracts" is the greatest concern. Moreover, sports wagering constitutes the highest likelihood of abuse through "event contracts" as there are no current prediction markets structuring event contracts to replicate other common games such as bingo, table games, or slot machines.

information…."[31] Sporting events and public contests for individuals other than the participants in such events or contests are primarily for entertainment. While there are potential economic consequences associated with particular outcomes in such events and contests, these consequences are generally either directly associated with the persons and entities involved or too local and/or varied to be meaningfully quantified in support of a market for price information.[32] Any transaction based on the outcome of such events or contests by market participants is therefore primarily for gaming purposes, as market participants do not have any other meaningful economic interests in a particular result.

5. Market participant demographics and responsible gaming standards demonstrate that event contracts relating to gaming are contrary to the public interest.

The CFTC includes questions in Section C.19(d)-(e) relating to how the CFTC should consider the demographics of market participants and responsible gaming standards, respectively, in making its public interest determination relating to potential event contracts involving gaming.[33]

The CFTC's primary public interest considerations are as set forth in Section 3(a) of the CEA, as discussed *supra*. The demographics of market participants and their vulnerabilities, while potentially worthwhile considerations under certain of the CFTC's obligations (e.g., to prohibit contracts meant to defraud or mislead) are not necessarily meaningful with respect to these enumerated public interests. Further, the posture of inquiring about such considerations related to event contracts involving gaming belies the purpose of the CEA, where, as discussed *supra*, Congress clearly intended to prohibit such event contracts.[34]

As to the broader public interests, however, demographics and responsible gaming favors weigh against a finding that gaming-related event contracts are in the public interest. Allowing prediction market platforms to offer sports gambling through event contracts undermines various regulatory mechanisms meant to protect vulnerable demographics. For example, a federal court in Ohio noted that people ages 18 through 20 had "unrestricted access" to gaming-related events contracts through prediction markets – even though they were prohibited from legal sports gaming under state law.[35] This demographic is "particularly vulnerable to problem gambling."[36] Granting

[31] 7 U.S.C. § 5(a).
[32] NRWC acknowledges that in the CFTC Amicus, the CFTC put forth in support of permitting gaming-related event contracts that "sporting events are economic enterprises that generate billions of dollars in economic activity and materially affect both regional and national markets." CFTC Amicus, at *29. However, this ignores, *inter alia*: (i) the intent of the prediction markets in providing and advertising the products as swaps; (ii) the ability or ease with which minors, problem gamblers, organized crime, terrorists, or other parties who should be excluded from accessing such markets may participate; and (iii) existing, regulated means by which such price information is captured. This is not to say there is not a meaningful distinction between "gaming" and transacting in "swaps", but that the CFTC should not ignore the practical realities of how markets for gaming-related event contracts are and will be used and the extreme likelihood that such use will be against the public interest. The foregoing is not intended to concede that the allowance of gaming-related contracts is permissible or that the CFTC has discretion to permit them.
[33] 2026 ANPR at 12521.
[34] Moreover, as noted above, event contracts relating to gaming do not in any way promote or protect the public interests listed in Section 3(a) of the CEA.
[35] *KalshiEX, LLC v. Schuler*, 2026 WL 657004 at *10, n. 9 (S.D. Ohio 2026).
[36] *Id.*

unrestricted access to gaming to a demographic that is particularly vulnerable to problem gaming, with no mechanisms for imposing responsible gaming standards, is plainly contrary to the public interest.

The CFTC does not have the capacity to implement responsible gaming standards.[37] It also cannot show, consistent with federal principles applicable to rulemaking, that the benefits of regulations that permit gaming-related events contracts would outweigh the costs associated with the implementation of responsible gaming standards (setting aside all other costs associated with such regulations). If the CFTC is going to undertake a rulemaking, it must "design its regulations in the most cost-effective manner to achieve the regulatory objective."[38] To the extent that an intended regulation may also have certain benefits, the CFTC must show that "only upon a reasoned determination" do the "benefits of the intended regulation justify its costs."[39]

The ability to bet or wager (or as may be argued to be distinct by prediction markets, to purchase an event contract relating to) the outcome of sporting events may be participated in by individuals who are susceptible to problem gaming. Each tribe and state that permits gaming requires some level of responsible gaming standards, which can include *inter alia*, the ability to bar participation temporarily or permanently and the ability to set limits on amounts wagered.[40] The offer of such programs and the associated evaluation, monitoring, and enforcement related thereto constitute significant costs for tribal, state, and federal regulators. If the CFTC were to allow gaming-related event contracts, then it could reasonably be expected to have to implement such programs. This would represent a significant increase in the scope of the CFTC's responsibility and relatedly a significant increase in its costs. It is difficult to understand how any benefit to offering such event contracts, for which there are already separate markets with existing regulatory structures, could outweigh the significant increase in responsibility and cost for the CFTC and the federal government.[41]

In absence of CFTC-implemented problem gaming standards, it would be up to the prediction market platforms themselves to adopt them. However, it is not clear that the CFTC would even have jurisdiction to require that the platforms adopt such standards. It is also worth noting that, by considering these issues at all, the CFTC is apparently acknowledging that that these gaming-related event contracts are indeed "gaming" – just as any reasonable person would.

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[37] *See KalshiEX, LLC v. Hendrick*, 2025 WL 3286282 at *13 (D. Nevada 2025) ("Whatever one's views are on gambling, there is no question that some segment of the population will suffer from problem gambling, but neither DCMs nor the CFTC is equipped to address those issues the same way state gaming regulators and licensed entities are.").

[38] Exec. Order No. 12866, 58 Fed. Reg. 51735 (Oct. 4, 1993) at Sec. 1(b)(5).

[39] *Id*. at Sec. 1(b)(6).

[40] *See* n. 18 *supra*.

[41] The reference to potential benefits is not a concession that allowing gaming-related event contracts would provide benefits. To the extent that there are benefits, NRWC believes that it would represent only a consolidation of the financial benefits of gaming to a limited number of national companies and away from a diversified gaming market benefitting tribes, states, and their respective citizens and residents.

6. Conclusion.

The Nisqually Indian Tribe and Nisqually Red Wind Casino appreciate the opportunity to provide comments regarding this important matter and look forward to continued engagement with the CFTC. If you have any questions or concerns regarding this letter, please contact Mr. Corey Hinton at (207) 771-9238 or mchinton@dwmlaw.com.

Respectfully,



Cheebo Frazier
Tribal Council Vice Chairwoman
Nisqually Indian Tribe