

LINCOLN POLICY GROUP

April 30, 2026

SUBMITTED VIA CFTC PORTAL

Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Dear Mr. Kirkpatrick,

Thank you very much for your dedication to public service. We appreciate all you do to ensure the integrity of the U.S. futures and derivatives markets. I would like to respectfully submit this comment in response to the Commodity Futures Trading Commission's ("Commission" or "CFTC") Advance Notice of Proposed Rulemaking regarding Prediction Markets, published in the Federal Register on March 12, 2026 (the "ANPRM").

Federal oversight of futures and derivatives contracts provides clear, unified and consistent rules – a principle that underpins markets worth trillions of dollars that companies of all sizes depend on to run their businesses. I have great concern this system is under threat by recent efforts to block certain futures contracts offered by prediction markets – federally regulated futures contracts that traders use to predict the outcomes of closely watched events. **I understand the importance of this federal regulatory system, and I would like to take this opportunity to reiterate some key points I have made on issues related to prediction markets over the past several years.**

As a former Chairwoman of the Senate Agriculture Committee, I was a primary author of the Commodity Exchange Act (CEA) provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank). As lawmakers, we realized we had to establish a robust regulatory framework that would restore confidence in derivatives markets that had been deeply diminished by the collapse of Wall Street and the Great

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Recession in 2008. Key tenants of that framework are that the same rules apply to everyone and only the U.S. Commodity and Futures Trading Commission gets to decide which futures contracts should be prohibited. This is critical to protect futures contracts that have unquestioned economic utility in an ever-evolving financial landscape.

There are two key points I want to reinforce:

- 1) A hallmark of the U.S. futures industry is that the markets determine what contracts have value and those that do not. It's long been accepted that markets should be making these decisions, and that the CFTC's role is to prevent fraud and abuse and ensure that trading is fair and orderly. Some contracts genuinely should be prohibited — direct references to specific acts of terrorism, named-individual assassinations, military operations. Other contracts that help users manage real economic exposure should not be prohibited. Elections have significant policy consequences that affect businesses of all sizes, so the commercial implications are clear. Sporting events like the Super Bowl also have strong commercial value because they have major impacts on advertising, apparel sales and the hospitality industry to name a few. These examples further speak to the CFTC's need to carefully decide which contracts have economic utility, versus those which are simply objectionable to certain constituencies or politically charged.
- 2) Like all futures exchanges, prediction market trading platforms that are registered with the CFTC must adhere to nearly two dozen “core principles,” including that they comply with agency rules, list contracts that aren't prone to manipulation and prevent conflicts of interest. If certain future contracts are prohibited for U.S.-registered prediction markets, the demand for these products does not disappear. U.S. traders will simply move their activity to offshore event contract markets that lack rules or oversight, causing great danger to consumers.

In conclusion, my experience tells me it is absolutely critical that U.S. futures markets remain the sole authority of the CFTC. We should not open our regulatory structure to a chaotic system where states and other jurisdictions reject contracts at will. Such a regime would breed uncertainty, which is what companies and financial markets dread most and is most dangerous to our overall economic stability. I also want to share my view that prediction markets appear to be the latest iteration of a policy framework that is built on

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the following premise: we should encourage a broad range of financial products, as long as we ensure that they are appropriately regulated to protect consumers.

Sincerely,

Blanche L Lincoln

Blanche L. Lincoln

Founder, Lincoln Policy Group

U.S. Senator from Arkansas 1999-2010 (ret.)

U.S. Representative (1st District – Arkansas) 1993-1996 (ret.)