

United States Senate

WASHINGTON, DC 20510

February 13, 2026

The Honorable Michael Selig
Chairman
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Dear Chairman Selig:

We write in response to your recent actions and public remarks concerning predictions markets. On February 4, 2026, the Commission withdrew a notice of proposed rulemaking that included sporting events in the definition of “gaming” and withdrew prior guidance cautioning exchanges about sports-based event contracts. On January 29, 2026, at the CFTC and SEC Joint Event on Harmonization, you signaled that the Commission would move toward rules that would permit these markets to continue operating while litigation remains pending, and that the Commission may intervene in that litigation.

Taken together, it appears that you intend to steer the Commission in a direction that is at odds with the intent of the Commodity Exchange Act, respect for state law and tribal sovereignty, and with the testimony you presented to the Senate Agriculture Committee on November 19, 2025.

In your Senate Agriculture Committee confirmation hearing, you stated that it would be “irresponsible” to prejudge whether contracts tied to sporting events constitute gaming, and that you would approach the issue with a “blank slate.” When asked directly whether betting on the outcome of a professional football game is gambling, you answered simply: “I would look to the courts.” However, two months later, you announced that the Commission will intervene in the matter before it has been fully litigated in the courts by withdrawing guidance cautioning against the use of prediction markets for sports betting, and that the Commission may even enter ongoing litigation. In addition, you recently posted that you “strong[ly] disagree” that prediction markets violate the law¹, a stark reversal of your statements before the Committee.

Following your recent comments, we urge the Commission to take two immediate actions. First, we ask the CFTC to abstain from intervening in pending litigation involving contracts tied to sports, war, or other prohibited events, in alignment with your statements before the Senate Agriculture Committee. Second, should the Commission initiate a rulemaking on event contracts, as you suggested, we ask that those rules adhere to the statute and prior regulations, and reiterate that contracts involving gaming (including sports), war, terrorism, assassination, or other enumerated activities are barred and may not be listed, traded, or cleared under the Commodity Exchange Act.

Congress made its intent clear and determined that these activities are “contrary to the public interest,” and has embedded that determination into 7 U.S.C. § 7a-2(c)(5)(C). Once a contract

¹ <https://x.com/MichaelSelig/status/2019533204068393280>

involves gaming or another enumerated activity, the public-interest analysis is complete. The Commission has the statutory authority to categorically prohibit the listing of contracts that involve these enumerated activities, and it has done so for more than fifteen years under 17 CFR § 40.11.

However, your recent comments instead suggest that you view the prohibitions Congress enacted in 7 U.S.C. § 7a-2(c)(5)(C)(i)(I) through (VI) as subject to reinterpretation through regulatory posture or litigation strategy. That approach converts a statutory prohibition into case-by-case policy judgments. It also places the Commission in direct conflict with state and tribal governments whose gambling laws Congress expressly chose not to preempt.

The real-world consequences are already evident. Prediction market platforms are offering contracts that mirror sportsbook wagers and, in some cases, contracts tied to war and armed conflict. These products evade state and tribal consumer protections, generate no public revenue, and undermine sovereign regulatory regimes.

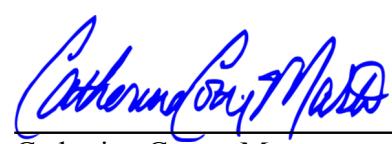
We therefore urge you to realign the Commission's actions with the statute and with the testimony you provided to Congress under oath. Declining to intervene on behalf of prediction market platforms and clarifying by rule that enumerated activities are contrary to the public interest would restore confidence that the CFTC is enforcing the law Congress enacted—not reshaping it through post-hoc policy shifts. We also request that you begin engaging with tribal communities on this issue, as Members of the Senate Agriculture Committee requested — and as you committed to doing — during your confirmation process.

We look forward to your prompt response and to working with you on this matter.

Sincerely,



Adam B. Schiff
United States Senator



Catherine Cortez Masto
United States Senator



Richard Blumenthal
United States Senator



Elissa Slotkin
United States Senator



Jack Reed
United States Senator



Amy Klobuchar
United States Senator
Ranking Member, Committee
on Agriculture, Nutrition, and
Forestry



Chris Van Hollen
United States Senator



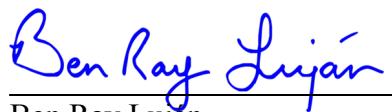
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Andy Kim
United States Senator



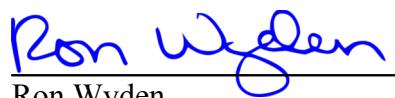
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Tammy Baldwin
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United States Senator



Lisa Blunt Rochester
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Alex Padilla
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Maria Cantwell
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