MAJOR LEAGUE BASEBALL
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BRYAN SEELEY
EVP, Legal & Operations

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BY E-MAIL

Acting Chairman Caroline D. Pham
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW Washington, DC 20581

Re: Sports Event Contracts

Dear Acting Chairman Pham:

I write on behalf of the Office of the Commissioner of Baseball ("MLB") to share our current perspective on sports event contracts. We appreciate the opportunity to comment, and applaud the CFTC's focus on this important topic.

Protecting the integrity of competition is, and always has been, MLB's top priority. We have an obligation to our fans and our sport to mitigate threats to that integrity. To that end, as individual states have legalized sports betting across the country over the last several years, MLB has worked hard to (1) incorporate strong integrity protections in state sports betting laws and regulations, (2) establish partnerships with legal sportsbooks that facilitate information sharing for integrity purposes, and (3) build collaborative relationships with state-level gaming regulators. MLB has also invested heavily in integrity monitoring services, sports betting educational programs, and other compliance initiatives. These collective efforts have helped MLB detect, and in many cases prevent, violations of its internal sports betting policies and uphold game integrity.

The sports event contracts that exchanges have recently offered resemble sports betting. The limited MLB event contracts available today do not carry the same integrity risks as prop bets or even single-game bets, but we expect that equivalent offerings will arrive soon. As the resemblance between sports event contracts and traditional sports betting markets continues to grow, so too does the need to replicate the integrity and consumer protections that exist at the state level. Currently, those protections are lacking. For example, MLB is not aware of anything that would require exchanges and brokers to notify leagues of potential threats to game integrity, cooperate with league investigations into player, umpire, or employee misconduct, or share data for integrity purposes. MLB has been advised that some exchanges and brokers take the position that they are not even *permitted* to share information with MLB under current CFTC regulations.

MLB has supported legal sports betting at the state level based on robust regulation and relationships in which sports leagues are viewed as partners and integrity of competition is considered paramount. If the CFTC decides to permit sports event contracts, this same integrity framework should be applied. MLB looks forward to continuing to engage with the CFTC,

exchanges, brokers, and other interested parties on these issues. Please do not hesitate to reach out with any questions, and thank you again for including MLB in this process.

Sincerely,

Bryan Seeley
Executive Vice President,
Legal & Operations