NCPG
National Council on Problem Gambling

National Problem Gambling Helpline: Call or Text 1-800-GAMBLER or visit 1800gamblerchat.org

March 10, 2025

The Honorable Carolina Pham
Acting Chair
Commodity Futures Trading Commission

Re: Prediction Markets Roundtable
Transmitted Electronically

Dear Acting Chair Pham and Commissioners:

I write on behalf of the National Council on Problem Gambling (NCPG), the sole national advocate for people affected by problem gambling and their loved ones, to provide brief comments on prediction markets and their relation to gambling for the Commodity Futures Trading Commission's (CFTC) upcoming roundtable on prediction markets. NCPG's mission is to lead state and national stakeholders in the development of comprehensive policies and programs for all those affected by problem gambling. Our vision is to improve health and wellness by reducing the personal, social, and economic costs of problem gambling. NCPG members include 36 state affiliate chapters and a wide variety of individuals and organizations—from counselors, prevention specialists and researchers to people in recovery from gambling problems as well as treatment clinics, gambling operators and vendors, regulatory authorities, sports leagues, and state human services agencies. NCPG is neither for nor against legalized gambling.

Putting aside whether futures legally constitute gambling, from a problem gambling standpoint, betting on futures is functionally gambling. The line between purchasing futures and gambling has particularly blurred with markets offered related to sporting events. NCPG is concerned about a form of gambling taking place outside of the responsible gambling tools framework and problem gambling safeguards required by gambling regulators.

NCPG and its affiliates collaborate with state legislators and regulators throughout the country to ensure state gambling laws and regulations are proactively prioritizing player health. This includes ensuring that players are given information on their play (wins, losses, and time spent gambling), can limit such play (requesting a time-out or a limit on the amount of time and/or money spent gambling), know how to get help for a gambling problem immediately should they feel they need it, and can easily access self-exclusion should they decide they no longer want access to gambling. These are just a few of the responsible gambling features most states require of their licensed sports betting operators. Futures, specifically on sporting events, should be regulated to ensure similar protections.

State and tribal regulators are experienced in regulating sports gambling. They are constantly updating their regulations and guidance to include best practices and work to balance the benefits of gambling revenue with the costs of gambling-related harm. Given this, the CFTC should either acknowledge state and tribal prerogatives or create a regulatory framework that also prioritizes players' health. If the CFTC determines that it does not have the authority to require truly robust responsible gambling measures and problem gambling safeguards on par with state and tribal regulators, it should not allow these markets.

Further, most states have limited sports betting to 21+ years of age. Young people are at additional risk of developing a gambling problem as their brain is still maturing. NCPG strongly supports all gambling being limited to 21+ and believes the CFTC should ensure the same goes for futures, especially on sporting events.

Finally, we echo the concern raised by the American Gaming Association that futures on sporting events present sports betting as an investible financial product. Sports betting, like all forms of gambling, should be seen as entertainment, not a way to make money. The vast majority of bettors end up losing more money than they win. However, the growing overlap between sports betting and futures on sporting events may lead many to believe that sports betting is a reliable way to make money over time.

Thank you for the opportunity to submit these comments. If you have any questions about this recommendation, please do not hesitate to reach out to me at ColeW@NCPGambling.org.

Sincerely,

Cole Wogoman
Senior Manager, Government Relations and League Partnerships
National Council on Problem Gambling