

United States Senate

WASHINGTON, DC 20510

August 8, 2023

Chairman Rostin Behnam
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Dear Chair Behnam:

I write to express concern about KalshiEX LLC's submission of contracts to allow for legal gambling on the outcome of U.S. elections.

Our free and fair elections are essential to public confidence in our democracy, and serious concerns have been raised that allowing for widespread gambling on election outcomes could undermine the trust of voters. This type of activity could fuel claims about election fraud, while also posing a risk that those with financial or political interests at stake may be incentivized to interfere in particular elections. At the same time, others have noted that the manipulation of betting markets could serve as a tool for foreign actors seeking to interfere in our democracy. Notably the Commission's 2012 order that prohibited similar contracts to allow for betting on U.S. elections raised concerns about their potential impact on election integrity and ultimately concluded that the proposal was "contrary to the public interest."

Given these potential threats to our system of government, I urge you to give full consideration to these risks as you assess the proposal now before you. Thank you for your attention to this important issue.

Sincerely,



Chairwoman, U.S. Senate
Committee on Rules and
Administration