

Former Senator Blanche Lincoln recently expressed her deep concern over the CFTC's proposal to ban certain categories of contracts, including election markets, by referencing a 2010 colloquy between herself and the late Senator Dianne Feinstein. She emphasized that the CFTC's interpretation of this colloquy goes beyond what was intended. Senator Lincoln highlighted that the proposal to ban markets outright, rather than regulate them, risks undermining the core principles that underpin our financial markets. These principles include fostering innovation and providing consumer protections, which were central to the legislation she helped craft.

I agree with Senator Lincoln's perspective and believe it is crucial for the CFTC to focus on regulation rather than prohibition. Proper regulation can ensure that prediction markets operate transparently and ethically, providing valuable insights and hedging opportunities without resorting to unregulated offshore platforms. By encouraging innovation within a structured regulatory framework, the CFTC can uphold the integrity of the markets while protecting consumers and promoting economic growth. The focus should be on creating a balanced approach that aligns with the original legislative intent to prevent gambling while fostering legitimate economic uses.