



ILLINOIS GAMING BOARD

JB Pritzker • Governor Charles Schmadeke • Chairman Marcus D. Fruchter • Administrator

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April 25, 2025

Via Electronic Mail

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

Re: Sports Event Contracts and Predictions Markets

Dear Acting Chair Pham and Commissioners,

I am the Administrator (executive director) of the Illinois Gaming Board (“IGB”), and I am writing to express the IGB’s significant concerns with the introduction and proliferation of so-called “sports event contracts.” The IGB is the regulatory and law enforcement agency with jurisdiction over the legal gambling industry in Illinois, including sports wagering. Among other oversight responsibilities, the IGB administers a comprehensive licensing, enforcement and wagering tax collection regime that protects consumers and safeguards the integrity and safety of Illinois gaming.

The unlicensed platforms that facilitate trading of these purported sports event contracts are circumventing state regulatory oversight to offer sports wagering in Illinois and nationwide.¹ This activity is deeply disturbing. It puts Illinois residents, and people across the United States, at risk by ignoring the carefully crafted statutory and regulatory protections developed in Illinois and other U.S. gaming jurisdictions, and it jeopardizes the critical tax revenue and other benefits derived from legal, state (and tribal) regulated sports wagering.

In Illinois and gaming jurisdictions across the country, regulators have implemented systems that require extensive investigations – including background checks and detailed financial assessments – to ensure that an applicant meets rigorous integrity and suitability requirements before receiving a sports wagering license. Once licensed, sports wagering operators must adhere to detailed administrative rules, strict compliance protocols, critical responsible gaming requirements, advertising standards and restrictions, and stringent KYC and AML safeguards. And they are required to pay sports wagering taxes and fees that fund critical programs. Licensed operators must also submit their platforms and gaming equipment for testing to meet independent certification standards. Further, the IGB actively works with our licensees, sports leagues and governing bodies, fellow regulators and law enforcement, responsible gambling advocates, and other stakeholders to prevent and address any integrity and safety concerns involving sport competition and betting activity.

¹ The Illinois Gaming Board issued Cease & Desist Orders on April 1, 2025 to CFTC-regulated platform operators offering sports event contracts in violation of Illinois law. These C&D Orders are publicly available on the IGB website (<https://igb.illinois.gov/sports-wagering/cease-and-desist-letters.html>).

None of these gaming integrity and safety standards or patron protections exist in the sports event predictions market. Indeed, the state-run regulatory system is dramatically and intentionally undermined by the sports event contracts currently being offered by CFTC-regulated entities.

As the Commission reviews these contracts, we ask that you respect the policy decisions made by Illinois and other states and prohibit the businesses you oversee from offering sports event contracts that violate state law (and potentially other federal laws) and are antithetical to sound regulation of sports betting activities.

The IGB appreciates the opportunity to share our concerns, and we thank the Commission for its time and attention to this important issue. Please do not hesitate to contact me should you have any questions.

Kind regards,

A handwritten signature in blue ink, appearing to read "Marc Fruchter", with a stylized flourish at the end.

Marcus D. Fruchter
Administrator