



## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Part 40

#### RIN 3038-AF14

#### Event Contracts; Withdrawal of Proposed Regulatory Action

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice of withdrawal of proposed rules.

**SUMMARY:** The Commodity Futures Trading Commission (“Commission” or “CFTC”) is formally withdrawing a notice of proposed rulemaking published on June 10, 2024, titled “Event Contracts.” The Commission does not intend to issue final rules with respect to this proposal. If the Commission decides to pursue future regulatory action in this area, it will issue new proposed rules.

**DATES:** The Commission is withdrawing the proposed rules published at 89 FR 48968 (June 10, 2024) as of February 4, 2026.

**FOR FURTHER INFORMATION CONTACT:** Frank Fisanich, Acting Director, (202) 418-5949, [ffisanich@cftc.gov](mailto:ffisanich@cftc.gov), Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581.

#### SUPPLEMENTARY INFORMATION:

##### Background

On June 10, 2024, the Commission published a notice of proposed rulemaking in the *Federal Register* proposing amendments to its rules concerning event contracts in certain excluded commodities. Specifically, the Commission proposed amendments to further specify types of event contracts that fall within the scope of section 5c(c)(5)(C) of

the Commodity Exchange Act (“CEA”)<sup>1</sup> and are contrary to the public interest, such that they may not be listed for trading or accepted for clearing on or through a CFTC-registered entity. Among other things, the Commission proposed to further specify the types of event contracts that involve “gaming.”

### **Withdrawal of Proposed Rules**

The Commission is withdrawing these proposed rules to reconsider them in light of various forms of state regulatory actions and litigation concerning the Commission’s exclusive jurisdiction over event contract derivatives listed on designated contract markets and the proper application of the swap and excluded commodity definitions under the Commodity Exchange Act, including issues related to the preemption of state gambling, wagering, and gaming laws in relation to sports-related event contracts laws and what activities constitute “gaming” under the CEA.<sup>2</sup> Thus, the Commission no longer intends to issue final rules with respect to the proposal. If the Commission decides to pursue future regulatory action in this area, it will do so by publishing new proposed rules or other issuance consistent with the requirements of the Administrative Procedure Act, as applicable.

### **Executive Order 12866**

The Office of Management and Budget has determined that this action is not a significant regulatory action as defined in Executive Order 12866, as amended, and therefore it was not subject to Executive Order 12866 review.

Issued in Washington, DC, on February 4, 2026, by the Commission.

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<sup>1</sup> 7 U.S.C. 7a-2(c)(5)(C).

<sup>2</sup> See, e.g., State ex rel. Nevada Gaming Control Board v. Blockratize, Inc. et. al, Case No. 26-OC-00012 1B (Nev. 1st Jud. Dist. Ct. Jan. 16, 2026); Coinbase Financial Markets, Inc. v. Raoul, et al., No. 1:25-cv-15406 (N.D. Ill. Dec. 18, 2025); Robinhood Derivatives, LLC v. Dreitzer, et al., No. 25-7831 (9th Cir. Dec. 12, 2025); KalshiEX LLC v. Hendrick, et al., No. 25-7516 (9th Cir. Nov. 28, 2025); N. Am. Deriv. Exch., Inc. v. State of Nevada et al., No. 25-7187 (9th Cir. Nov. 14, 2025); KalshiEX LLC v. Martin, No. 25-01892 (4th Cir. Aug. 6, 2025); KalshiEX LLC v. Flaherty, No. 25-01922 (3d Cir. May 15, 2025).

Christopher Kirkpatrick,

*Secretary of the Commission.*

**NOTE:** The following appendix will not appear in the Code of Federal Regulations.

**Event Contracts; Withdrawal of Proposed Regulatory Action – Commission Voting Summary**

On this matter, Chairman Selig voted in the affirmative. No Commissioner voted in the negative.

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