

ONE HUNDRED EIGHTEENTH CONGRESS

# Congress of the United States

## House of Representatives

COMMITTEE ON THE JUDICIARY

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WASHINGTON, DC 20515-6216

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judiciary.house.gov

November 14, 2024

The Honorable Rostin Behnam  
Chairman  
Commodity Futures Trading Commission  
1155 21st Street, NW  
Washington, DC 20581

Dear Chairman Behnam:

The Committee on the Judiciary is conducting oversight of the Commodity Futures Trading Commission's (CFTC) actions that may hinder competition in the market for event contracts.<sup>1</sup> Recently, the CFTC took action that impeded Kalshi's ability to offer political prediction contracts.<sup>2</sup> According to two federal courts, this action exceeded the Commission's statutory authority.<sup>3</sup> The Committee is concerned that, in overstepping its statutory authority, the Commission is attempting to regulate by enforcement and restrict the contracts offered by Kalshi simply because those contracts are disfavored by the CFTC and its staff. As we transition from the failed policies of the Biden-Harris Administration, we demand that you cease all regulatory effort to allow the incoming Trump Administration to deliver on its mandate from the American people.

Furthermore, this letter serves as a formal request to preserve all existing and future records and materials related to the CFTC's regulation of political prediction contracts. You should construe this preservation notice as an instruction to take all reasonable steps to prevent the destruction or alteration, whether intentionally or negligently, of all documents, communications, and other information, including electronic information and metadata, that are or may be responsive to this congressional inquiry. This instruction includes all electronic messages sent using official and personal accounts or devices, including records created using text messages, phone-based message applications, or encryption software.

Pursuant to Rule X of the Rules of the House of Representatives, the Committee is authorized to conduct oversight of and legislate on matters relating to the "judiciary and judicial

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<sup>1</sup> Letter from Jim Jordan, Chair H. Comm. on the Judiciary to the Honorable Rostin Behnam, CFTC (Sep. 11, 2024).

<sup>2</sup> Dissenting Statement of Commissioner Summer K. Mersinger Regarding Order on Certified Derivatives Contracts with Respect to Political Control of the U.S. Senate and House of Representatives (Sept. 22, 2023).

<sup>3</sup> See generally *KalshiEX LLC v. CFTC*, No. CV 23-3257 (D.D.C. Sept. 12, 2024).

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proceedings,” “[a]dministrative practice and procedure,” and “[p]rotection of trade and commerce against unlawful restraints and monopolies.”<sup>4</sup> If you have any questions about this request, please contact Committee staff at 202-225-6906. Thank you in advance for your prompt attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "Jim Jordan". The signature is stylized and cursive.

Jim Jordan  
Chairman

cc: The Honorable Jerrold L. Nadler, Ranking Member

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<sup>4</sup> Rules of the House of Representatives R. X (2023).