United States Senate
WASHINGTON, DC 20510

October 28, 2026

Mr. Tarek Mansour
Chief Executive Officer
Kalshi, Inc.
594 Broadway Suite 407
New York, NY 10012

Mr. Shayne Coplan
Chief Executive Officer
Blockratize, Inc. d/b/a Polymarket
1280 Lexington Avenue
Suite 1448, Front 2
New York, NY 10028

Dear Mr. Mansour and Mr. Coplan:

In the lead up to the November 2026 midterm elections, we write to express concerns about election-related prediction markets and to request specific information about your companies' efforts to prevent insider trading, market manipulation, and wagers based on material nonpublic information. Previous congressional oversight has raised concerns about prediction market companies' efforts to advertise gambling-style event contracts as conventional financial products; and their avoidance of enforcement regimes that are designed to protect consumers.[1] Our concerns about the legitimacy and regulation of such wagers are not resolved merely because they are offered on an exchange, and we remain concerned about jurisdictional conflicts with applicable state and tribal gaming authorities.

We are particularly troubled by election-related event contracts. Event contracts tied to elections receive prominent coverage and are treated by some observers as indicators of political momentum. As such, they have become part of election-related news coverage that reaches potential voters, raising questions about how the reporting of prediction market odds may shape public perceptions of electoral races. There are also documented cases of candidates betting on their own races, which undermines the overall integrity of the American electoral process.[2]

Kalshi's own enforcement record demonstrates the problem with event contracts referencing elections and political candidates. The Commodity Futures Trading Commission (CFTC) described a 2025 incident in which a candidate traded on his own candidacy; the activity came to light through videos posted on social media before Kalshi imposed a penalty and suspension.[3] In April 2026, Kalshi disclosed three additional cases of candidates trading on their own races, including cases investigated

[1] The Wall Street Journal, "Lawmakers Call for Federal Probe of Polymarket Over Deceptive Advertising," June 26, 2026, https://www.wsj.com/finance/regulation/lawmakers-call-for-investigation-into-deceptive-advertising-by-polymarket-267e1857
[2] Yeji Lee, "New Study Finds Prediction Markets Are Influencing Voters - and Voters Want Them Regulated," Brennan Center for Justice, October 20, 2026, https://www.brennancenter.org/our-work/analysis-opinion/new-study-finds-prediction-markets-are-influencing-voters-and-voters-want.
[3] U.S. Commodity Futures Trading Commission, "CFTC Enforcement Division Issues Prediction Markets Advisory," press release no. 9185-26, February 25, 2026, https://www.cftc.gov/PressRoom/PressReleases/9185-26.

after trades had occurred.[4] And in July, NPR reported that a campaign operative listed in Federal Election Commission records was able to trade on a race in which they were involved despite Kalshi's new screening system.[5] These examples raise critical questions about how many election-related transactions have escaped detection, including trades by people not identifiable from campaign filings.

There are similarly troubling election-specific concerns involving Polymarket. During the 2024 U.S. presidential election, Fortune reported that two independent blockchain analysis firms had identified trading patterns consistent with possible wash trading on Polymarket; one estimated that roughly one-third of the presidential market's trading volume was likely affected.[6] This month, WIRED reported more than $600 million in trading volume across Polymarket election contracts involving Ethiopia and Romania, including extensive repetitive transactions that researchers said suggested artificial volume. Polymarket told the publication it flagged the activity, investigated, and blocked the accounts.[7] Shutting down identified accounts after problematic conduct has already occurred does not answer why so much questionable activity could occur, how quickly it was detected, or what comparable activity may remain unnoticed.

A separate NPR investigation described campaign insiders who said they profited by trading before the release of polling information; NPR reported verifying at least one trade against prediction-market records.[8] That concern is particularly acute as Election Day approaches, when confidential campaign decisions, internal polling, and election-administration information may have immediate financial value and the impact of election-related event contracts on the public's perception of races is maximally influential. Public announcements of blocked trades and disciplinary actions do not provide a reliable measure of misconduct that was never identified. We remain skeptical that your companies can sufficiently police these even contracts with effective scrutiny and meaningful accountability.

Accordingly, please provide written responses to the following questions by November 3, 2026:

1. What steps have your companies taken to prevent political candidates, campaign staff, election officials, pollsters, and other individuals with access to material nonpublic information from trading on election-related contracts?
2. How do your companies determine whether an individual is trading on confidential campaign information, unreleased polling data, or other nonpublic information?
    a. What safeguards prevent these individuals from circumventing trading restrictions through third parties or affiliated accounts?

---

[4] Bobby DeNault, "Enforcement Update: Kalshi Continues Crackdown on Political Insider Trading," Kalshi, April 22, 2026, https://news.kalshi.com/p/kalshi-political-insider-trading-enforcement-update.
[5] Luke Garrett, "Campaign Staffers Keep Trying to Bet on Races Despite Push to Curb Insider Trading," NPR, July 9, 2026, https://www.vpm.org/npr-news/2026-07-09/campaign-staffers-keep-trying-to-bet-on-races-despite-push-to-curb-insider-trading/.
[6] Leo Schwartz, "Exclusive: Election Betting Site Polymarket Gives Trump a 67% Chance of Winning but Is Rife With Fake 'Wash' Trading, Researchers Say," Fortune, October 30, 2024, https://fortune.com/crypto/2024/10/30/polymarket-trump-election-crypto-wash-trading-researchers/.
[7] Kate Knibbs, "Over $600 Million in Polymarket Election Trades Took Place After Races Ended," WIRED, October 15, 2026, https://www.wired.com/story/over-dollar600-million-traded-on-polymarket-election-contracts-after-races-ended/.
[8] Luke Garrett, "Campaign Staffers Tell NPR They Make 'Thousands' Betting on Their Own Candidates," NPR, May 7, 2026, https://www.vpm.org/npr-news/2026-05-07/campaign-staffers-tell-npr-they-make-thousands-betting-on-their-own-candidates/.

3. Given the previously reported instances of candidates trading on their own elections and suspicious trading activity in election-related markets, what assurances and supporting evidence can your companies provide that similar conduct is not occurring undetected?
4. What measures have your companies implemented to detect and prevent wash trading, coordinated trading, and other forms of market manipulation that could artificially influence the prices or reported trading volumes of election-related contracts?
5. Since January 1, 2026, how many instances of suspected insider trading, misuse of material nonpublic information, or market manipulation involving election-related contracts have your companies identified?
    a. How many were prevented before trading occurred, and how many were discovered only afterward?
    b. How many were referred to the CFTC or other law enforcement authorities?
6. Have your companies subjected their election-market surveillance and compliance systems to independent evaluations? If not, why not?
    a. What additional safeguards, if any, will be implemented before the November 2026 elections?
7. How do you ensure that prediction market contracts related to elections are not conflated with traditional polling? What disclosures or controls do you require related to publication of information related to these specific types of contracts?

The identification of isolated instances of improper trading does not demonstrate that these markets are adequately protected. Instead, it raises serious questions about how much similar activity may be going undetected. Given the significant financial incentives associated with election-related contracts, we remain skeptical that prediction market operators can effectively police their own platforms, and question whether the purported benefits of these markets justify the potential harm to the integrity of the information Americans rely on to understand our elections.

We look forward to your prompt response.

Sincerely,

John R. Curtis
United States Senator

Elizabeth A. Warren
United States Senator