



August 8, 2024

VIA Electronic Submission and Email

Mr. Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Events Contracts – 3038-AF14

Dear Mr. Kirkpatrick:

The National Football League (“NFL”) submits this letter in response to the Commodity Futures Trading Commission’s (“**Commission**”) request for public comment on the Commission’s proposed amendments to SS 40.11 of the Commodity Exchange Act (CEA or the Act) to further specify the types of event contracts that fall within the scope of section 5c(c)(5)(C) of the Act and may not be listed or accepted for trading or clearing.

CEA section 5c(c)(5)(C) authorizes the Commission to prohibit certain “events contracts” from being listed or made available for clearing or trading on or through a registered entity, if such contracts involve an activity that is enumerated in CEA 5c(c)(5)(C). One category of contracts that is currently prohibited by section 5c(c)(5)(C) is gaming contracts, and the proposed amendments would further clarify the types of contracts covered by that prohibition, including those that involve sports wagering. The NFL remains concerned, in light of several outstanding questions, that if sports wagering contracts were to be permitted, they potentially could negatively impact the integrity of, and consumer confidence, in our games.

The NFL is concerned that if sports related gaming contracts were to be permitted, such contracts may not be used in a legitimate effort to mitigate commercial risk. These contracts would mimic sports betting but seemingly without the robust regulatory features that accompany regulated and legalized sports betting and which help to mitigate threats to the integrity of our contests. They would fall outside the purview of sports betting regulatory authorities and the safeguards they impose upon the industry. We agree with the Commission that participants in sports-related gaming contracts markets would primarily be speculators rather than participants with legitimate commercial hedging interests, and we share the concern that these contracts, if not properly regulated, could be susceptible to manipulation or price distortion. It is also possible

that if sports-related gaming contracts markets were permitted, the amounts “wagered” through these markets by individual speculators could be significantly larger than those typically wagered through the regulated sports betting markets, potentially creating greater risk to contest integrity. Any future consideration of these contracts should thoroughly address these issues.

Since the repeal of the Professional and Amateur Sports Protection Act (PASPA), thirty-eight states and the District of Columbia have utilized existing authority or passed legislation to allow sports betting. The sports betting ecosystem is interconnected between professional sports organizing bodies, the operators, advertisers, legislators, and regulators. Lawmakers in many states have enacted robust regulatory regimes which include measures to promote information sharing between sportsbook operators and leagues, sports integrity monitoring requirements, prohibitions on markets that may be more easily manipulated, requirements to use consistent and reliable Official League Data, know-your-customer, and problem gambling requirements and resources. This is in part a result of the NFL’s ongoing efforts to ensure legalized sports betting is properly regulated to protect the interests of participants and fans.

There is no greater priority for the NFL than protecting the integrity of our games. Our fans deserve to know that we are doing everything possible to ensure no improper influences affect how our games are played. Our players, coaches and other League and club personnel deserve to know that we are taking all appropriate steps to ensure our games are not subjected to unfair and unwarranted allegations relating to sports gambling or manipulation. The NFL employs a multi-faceted approach to achieving these goals, which is grounded in policies, education, training, and partnerships with a variety of organizations to monitor, protect, and enhance the integrity of our sport. We also work closely to advise legislators and regulators on critical consumer protections pertaining to sports betting. Additionally, the NFL has worked to establish the Coalition of Responsible Sports Betting Advertising to establish safeguards around how sports betting is presented to consumers during our game broadcasts. The Coalition for Responsible Sports Betting Advertising is a voluntary association of sports leagues and media entities (including the *NFL*, *MLB*, *MLS*, *NASCAR*, *NBA*, *WNBA*, *NHL*, *PGA Tour*, *NBCUniversal*, and *FOX*) who have come together with a commitment to doing our part to help ensure a responsible approach to sports betting advertising.

The NFL appreciates the Commission’s time and consideration of these matters as it evaluates any potential action regarding events-based futures contracts. We are available to discuss further if the Commission has any questions regarding our submission.

Sincerely,



Jonathan D. Nabavi
Vice President, Public Policy and Government Affairs
The National Football League