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CFTC Disapproves KalshiEX LLC's Congressional Control Contracts

September 22, 2023

Washington, D.C. — The Commodity Futures Trading Commission today issued an order disapproving congressional control political event contracts self-certified by KalshiEX LLC. The contracts would have been cash-settled, binary contracts based on the question: “Will <chamber of Congress> be controlled by <party> for <term>?”

After reviewing the complete record, the CFTC determined the contracts involve gaming and activity that is unlawful under state law and are contrary to the public interest, and therefore, pursuant to section 5c(c)(5)(C) of the Commodity Exchange Act (CEA) and CFTC Regulation 40.11, the contracts are prohibited and cannot be listed or made available for clearing or trading on or through Kalshi.

In a submission to the CFTC, dated June 12, 2023, Kalshi, a designated contract market, self-certified the contracts pursuant to CEA section 5c(c)(1) and CFTC Regulation 40.2. The CFTC initiated a review of the contracts, pursuant to CFTC Regulation 40.11(c), on June 22, 2023.

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