

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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May 22, 2026

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

Dear Mr. Mansour:

The Committee on Oversight and Government Reform is examining the use of online prediction market platforms, including Kalshi, by some users to conduct insider trading. Specifically, we are examining the adequacy of company safeguards to prevent access to offshore sites to circumvent compliance with applicable U.S. federal regulations governing prediction market platforms.¹ Internal records held by prediction market platforms are the only means by which bad actors can be identified and to determine whether platforms are meeting their legal obligations.² Therefore, the Committee requests documents and information to better understand how Kalshi implements identity verification for domestic and international account holders, enforces geographic restrictions, and detects anomalous trading activity to prevent insider trading across its global platform.

In May 2025, gubernatorial candidate Kyle Langford placed a \$200 bet on Kalshi on his own political race and earlier this year three additional politicians placed bets on the platform related to their own races.³ Further, an April 24, 2026 federal indictment of U.S. Army Master Sergeant Gannon Ken Van Dyke alleges that he used classified information concerning Operation Absolute Resolve, the U.S. military operation that resulted in the capture of Venezuelan President Nicolas Maduro, to place a series of wagers resulting in more than \$409,000 in personal financial gain on the Polymarket platform, a competitor of Kalshi.⁴ This

¹ The Commodity Futures Trading Commission (“CFTC”) exercises regulatory jurisdiction over event contracts offered on registered U.S. prediction market platforms.

² See Stuart A. Thompson & David Yaffe-Bellany, *Dozens of Polymarket Bets Show Signs of Insider Trading, The Times Finds*, THE N.Y. TIMES (May 13, 2026).

³ Kate Knibbs, *US Senate Candidate Caught Insider Trading on Kalshi Says He Did It on Purpose*, WIRED (Apr. 22, 2026); Steve Kopack, Allie Canal & Scott Bland, *Kalshi Fines and Suspends Three Politicians for ‘Insider Trading’ on Their Own Races*, NBC NEWS (Apr. 22, 2026).

⁴ Joe Pinsker, *The Soldier Accused of Maduro Bets: ‘Army People Don’t Get the Business Stuff’*, THE WALL ST. J. (Apr. 25, 2026); Thompson & Yaffe-Bellany, *supra* n. 2 (“Sergeant Van Dyke gained access to the website using a virtual private network, a tool that disguises a user’s location, according to court papers.”); see generally Press Release, Commodity Futures Trading Commission, CFTC Orders Event-Based Binary Options Markets Operator to Pay \$1.4 Million Penalty (Jan. 3, 2022).

growing pattern of insider trading activity on prediction market platforms indicates that Congressional action may be necessary.⁵

As a Commodity Futures Trading Commission (CFTC) designated contract market since November 2020, Kalshi has been subject to the full suite of Commodity Exchange Act (CEA) requirements applicable to federally related exchanges.⁶ Notwithstanding Kalshi's domestic regulatory status, the Committee is concerned about the regulatory grey area created by Kalshi's October 2025 expansion to more than 140 countries.⁷ The rapid global expansion of Kalshi's platform raises questions about whether internationally placed event contracts are subject to equivalent identity verification and insider trading prohibitions as domestic event contracts.⁸ Further, global expansion may have created structural conditions that bad actors, especially individuals with access to national security information, can exploit.⁹ According to a recent *New York Times* investigation, more than 80 Polymarket users have placed bets with suspicious characteristics, notably including trades placed hours before unannounced U.S. and Israeli military operations against Iran, suggesting that access controls and identity verification requirements across the global prediction market ecosystem may be insufficient.¹⁰

To assist the Committee in its oversight of this matter, we request the following documents and information covering the time period January 1, 2024, to the present, as soon as possible but no later than June 5, 2026:

1. All documents and communications referring or relating to Kalshi's identity verification and Know-Your-Customer (KYC) policies and procedures for domestic and international account holders, including but not limited to:
 - a. The identity verification technologies, vendors, and procedures Kalshi utilizes to confirm the identity of account holders at the time of account creation and at subsequent intervals including any differences in verification requirements between domestic and international account holders;
 - b. Whether international account holders accessing Kalshi through the global platform are subject to the same KYC requirements as U.S.-based account holders, and if not, a description of all differences, exemptions, or reduced-scrutiny pathways available by geography or account type;

⁵ See, e.g., Jasper Ward, *Kalshi sued over ouster of Iran leader prediction market*, REUTERS (Mar. 6, 2026).

⁶ Order of Designation, In the Matter of the Application of KalshiEX LLC for Designation as a Contract Market (Nov. 3, 2020), available at <https://www.cftc.gov/sites/default/files/filings/documents/2020/orgkexkalshidesignation201103.pdf>.

⁷ See Kalshi, *Kalshi hits \$5 billion valuation amid international expansion*, KALSHI NEWS (Oct. 10, 2025), available at <https://news.kalshi.com/p/kalshi-hits-5-billion-valuation-amid-international-expansion>.

⁸ Boaz Sobrado, *'Third Largest Economy'—\$5.9 Trillion Gambling Beyond Regulation*, FORBES (May 14, 2026) ("If you cannot see the entire marketplace" across regulated, unregulated and unacknowledged segments, he wrote, "you cannot control it.").

⁹ Press Release, Commodity Futures Trading Commission, CFTC Orders Event-Based Binary Options Markets Operator to Pay \$1.4 Million Penalty (Jan. 3, 2022); see also Thompson & Yaffe-Bellany, *supra* n. 2.

¹⁰ See Thompson & Yaffe-Bellany, *supra* n. 2.

- c. The financial impact of KYC and geographic access restriction policies, including documents discussing tradeoffs between compliance costs and platform growth; and
 - d. Any changes to KYC policies implemented in connection with Kalshi's October 2025 global expansion.
 2. All documents and communications referring or relating to Kalshi's policies and procedures for detecting, investigating, and reporting anomalous or suspicious trading activity, including but not limited to:
 - a. The criteria, thresholds, or algorithmic tools your platform uses to flag anomalous or suspicious trading patterns, including trades that may be indicative of the use of nonpublic or classified information;
 - b. All documents and communications relating to any trades or accounts your platform flagged as suspicious, including, but not limited to, trades related to U.S. or allied military operations or geopolitical events;
 - c. All documents and communications describing Kalshi's referral procedures for notifying the U.S. Department of Justice, the CFTC, or other U.S. law enforcement or regulatory authorities of suspicious activity; and
 - d. All documents and communications sufficient to show the number and disposition of suspicious activity referrals, including disciplinary matters involving political candidates.
 3. All documents and communications relating to any event contracts tied to the following specific events, including but not limited to account records, trading records, and any suspicious activity flags or referrals associated with those contracts:
 - a. U.S. and/or Israeli military operations in Iran; and
 - b. The U.S. military operation to capture Venezuelan President Nicolas Maduro ("Operation Absolute Resolve"), including all Maduro and Venezuela-related event contracts.
 4. All documents and communications referring or relating to how Kalshi collects, stores, and uses personal data associated with account holders.
 5. All documents and communications referring or relating to Kalshi's compliance with applicable CFTC regulations as a designated contract market, including any legal opinions or internal assessments concerning whether Kalshi's international platform

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participants are subject to CEA and CFTC regulatory requirements applicable to designation contract market transactions.

6. All documents and communications referring or relating to any internal assessments, board or executive-level deliberations, legal opinions, or policy discussions concerning the availability of event contracts tied to armed conflict or military operations.
7. All documents and communications sufficient to identify any current or former officer, director, employee, or adviser of Kalshi who holds or has applied for a U.S. government security clearance, and any communications regarding the implications of such clearances for your platform's trading policies.
8. All documents and communications describing the financial impact of anomalous trading activity on Kalshi's market integrity or public reputation, including but not limited to internal analyses, board materials, or investor communications.

To arrange for delivery of documents or to ask any related follow-up questions, please contact the Committee on Oversight and Government Reform Majority staff at (202) 225-5074. The Committee on Oversight and Government Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X.

Sincerely,

A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive style and is positioned above a horizontal line.

James Comer

Chairman

Committee on Oversight and Government Reform

cc: The Honorable Robert Garcia, Ranking Member
Committee on Oversight and Government Reform