



May 14, 2026

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
Washington, DC 20515

RE: Prediction Market Ban for House Members and Employees

Dear Speaker Johnson and Leader Jeffries,

On April 30, the Senate unanimously passed S.Res. 708, which amended Senate Rule 37 to prohibit Senators, officers, and employees from participating in prediction market event contracts.¹ Democracy Defenders Action (DDA), an organization dedicated to stopping corruption, upholding the rule of law, and protecting free and fair elections, urges you to join the Senate and take prompt action to prohibit Members of the House, congressional staff, and their immediate families from participating in prediction markets while Congress continues to debate broader ethics reform legislation preventing misuse of prediction markets by all three branches.

Recent events have shown that prediction markets are highly susceptible to market manipulation and abuse by government insiders. In late April, the U.S. Attorney for the Southern District of New York brought an indictment against U.S. Army Special Forces Master Sergeant Gannon Ken Van Dyke for utilizing nonpublic government information to wager on a series of event contracts related to the Operation Absolute Resolve.² The indictment noted that at the time the trades were made, Van Dyke was directly involved in the operation to support the capture of Venezuelan President Nicolás Maduro and his wife Cilia Flores.³

Meanwhile, reporting shows a startling trend of wagers being made on event contracts tied to attacks in Iran, including: (1) eight wallets placing longshot wagers hours before the United States' 2025 strikes on Iranian nuclear facilities, resulting in over \$1.8 million in profits;⁴ (2) six wallets placing longshot wagers hours before the United States's strikes on Iran in February,

¹ S. Res. 708, 119th Cong., 172 Cong. Rec. S2175 (2026), <https://www.congress.gov/119/crec/2026/04/30/172/76/CREC-2026-04-30-pt1-PgS2175.pdf>.

² Indictment, United States v. Van Dyke, 26-Cr.-156 (S.D.N.Y, Apr. 23, 2026), <https://www.justice.gov/opa/pr/us-soldier-charged-using-classified-information-profit-prediction-market-bets>.

³ *Id.*

⁴ Anti-Corruption Data Collective, Insider Risks in Polymarket Political Markets 27 (Apr. 2026), https://acdatacollective.org/wp-content/uploads/2026/04/Insider_Risks_in_Polymarket_Political_Markets_ACDC.pdf.

resulting in over 1.2 million dollars in profits;⁵ and (3) at least 50 wallets placing substantial bets on the U.S.-Iran ceasefire in the hours and minutes before the ceasefire was announced.⁶

It has been a longstanding rule under the Code of Ethics for Government Employees that Members and staff may not use “any information coming to [them] confidentially in the performance of government duties as a means of making private profit.”⁷ As we have seen over the last few months, however, the temptation to wager on confidential and nonpublic government information, and the low barrier to doing so through prediction markets, calls for a stronger response.

Democracy Defenders Action therefore calls on House leadership to send a strong message that the House takes abuse of government information seriously. It’s time for the House to join the Senate in adopting a clear rule to ban wagering on event contracts by Members, their immediate family, and congressional staff.

Sincerely,

/s/

Virginia Canter

Ethics and Anticorruption Chief Counsel and Director

Democracy Defenders Action

⁵ Boaz Sobrado, *Fresh Wallets Made \$1.2 Million Polymarket Hours Before Iran Airstrikes*, Forbes (Mar. 2, 2026), <https://www.forbes.com/sites/boazsobrado/2026/03/02/fresh-wallets-made-12m-on-polymarket-hours-before-iran-air-strikes/>.

⁶ Ken Sweet & Christopher L. Keller, *Newly created Polymarket accounts bet big on US-Iran ceasefire in hours before Trump’s announcement*, AP News (Apr. 8, 2026), <https://apnews.com/article/polymarket-iran-trump-ceasefire-prediction-markets-350d9fe5ffefa74080ff5dd973aef48>.

⁷ H.R. Con. Res. 175, ¶ 8, 85th Cong., 72 Stat. B12 (1958).