

Betting on Everything: Prediction Markets Draw Millions of Users — and Regulatory Questions

RELATED PROFESSIONALS

[Stephen C. Piepgrass](#)

[Stephen Piepgrass](#), a partner in Troutman Pepper Locke’s [Regulatory Investigations, Strategy + Enforcement Practice Group](#), was quoted in the June 29, 2026, *KWTX* article, “[Betting on Everything: Prediction Markets Draw Millions of Users — and Regulatory Questions.](#)”

“You’re not betting against the house,” said Stephen Piepgrass, a partner at Troutman Pepper Locke who specializes in regulatory investigations and gaming. “These are swaps. It’s actually trades between one person taking one position, one taking another position. And then the platform makes its money off of the fees associated with being able to use the platform.”

...

“The clash that is occurring right now is between this federal regulator, the CFTC, and the states,” Piepgrass said. “If the federal regulator is, in fact, the correct regulator for these prediction markets, then the states are preempted from being able to regulate them and can’t ban them.”

...

“That’s a serious concern, because obviously, there are all kinds of incentives created by the ability to earn money based on your knowledge about the future,” Piepgrass said.

Despite the regulatory debate, both Piepgrass and Swedberg said prediction markets have demonstrated accuracy as a forecasting tool.

“The predictive capabilities of having people put their money where their mouth is, they’re enormous,” Piepgrass said. “And they’ve done studies that show that when it comes to predicting outcomes of things like elections, prediction markets are far more accurate than anything else.”

RELATED INDUSTRIES + PRACTICES

- [Regulatory Investigations, Strategy + Enforcement](#)