

# Prediction Market Risk Is Hiding in Your Organization Whether You Know It or Not

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Stephen Piepgrass, leader of Troutman Pepper Locke's Regulatory Investigations, Strategy, and Enforcement Practice Group, was quoted in the April 15, 2026 *Corporate Compliance Insights* article, "[Prediction Market Risk Is Hiding in Your Organization Whether You Know It or Not](#)".

- David I. Miller, director of the Commodity Futures Trading Commission (CFTC), which formally has regulatory authority over prediction markets, has signaled an aggressive stance against insider trading on the apps. However, a variety of state authorities have asserted that they should be the ones to regulate prediction markets because of their resemblance to sports betting. A Supreme Court showdown is likely, said Stephen Piepgrass, a partner in the Richmond, Va., office of Troutman Pepper Locke.
- "There are just too many aspects of these cases that make them a quintessential case for the justices to decide: federalism versus state sovereignty, a circuit split, a new business model that doesn't fit neatly into a current regulatory structure and of course, a great deal of public interest in the outcome."
- ...
- Regardless of the specifics, companies must have policies in place if they want to avoid regulatory scrutiny, Piepgrass said.
- "Now that the CFTC has clearly stated it believes insider trading rules apply to prediction market trades, [the] commission will expect companies to have updated policies in place," Piepgrass said. "And if they don't, we know that regulators often use enforcement actions and penalties to send a message to businesses about the importance of compliance."

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