Nov. 18, 2026

VIA EMAIL

Charles Jeffers, Interim Executive Director
National Council on Problem Gambling

Derek Longmeier, President
National Council on Problem Gambling

Dear Mr. Jeffers and Mr. Longmeier:

MGM Resorts International and BetMGM have been proud and longstanding members of the National Council on Problem Gambling – a partnership based on our mutual commitment to minimize gambling-related harm and promote responsible play by informed consumers with legal, regulated gaming operators. However, NCPG's decision to embrace Kalshi as a member and the circumstances under which this decision was made lead us to conclude that we no longer share the established principles NCPG once stood for.[1] MGM Resorts and BetMGM are cancelling our memberships with immediate effect.

No organization should understand the risks Kalshi and other prediction markets pose to responsible gaming more clearly and urgently than NCPG.

Undermining Responsible Gaming: Responsible play relies on the foundational principle that gambling is entertainment, not an investment or a path to meeting financial obligations. Kalshi blurs this line, featuring ads with one player boasting "I was about to be unable to pay my rent, but I got two years of rent" by playing on Kalshi.[2] Suggesting that sports betting on Kalshi is an easy ticket to financial success is an open invitation to every form of problem gambling that NCPG and responsible gaming programs are supposed to confront, not legitimize. One of Kalshi's lawyers carelessly dismissed concerns about problem gambling, suggesting "people are adults, and they're allowed to spend their money however they want, and if they lose their shirt, that's on them."[3]

Ignoring State Gambling Laws: As you know, a bipartisan group of state attorneys general have opposed prediction markets' claims of exemption from state gambling laws, and multiple states have brought enforcement actions alleging that Kalshi operates unlicensed gambling. Several other states have separately sued or taken other actions against Kalshi. In its recent lawsuit against Kalshi, the State of New York argued that "by ignoring our laws, Kalshi is running an illegal

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[1] *See* Press Release, Nat'l Council on Problem Gambling, *Kalshi to Become NCPG's First Financial Services & Trading Category Member to Advance Trader Health and Safety* (May 18, 2026), https://www.ncpgambling.org/news/kalshi-joins-ncpg/.

[2] *See* Neil Mehta, Katherine Long & Caitlin Ostroff*, Why Almost Everyone Loses—Except a Few Sharks—on Prediction Markets,* Wall St. J. (May 3, 2026), https://www.wsj.com/finance/investing/polymarket-kalshi-betting-profits-prediction-markets-eb23ac11.

[3] *See* Jessica Welman, *Kalshi's Lawyer Goes Hard at State-Regulated Gambling*, SBC Ams. (July 11, 2025), https://sbcamericas.com/2025/07/11/kalshi-nclgs-sports-contract-debate/.

operation and harming New Yorkers in the process."[4] Legal operators obtain state gaming licenses and adhere to strict regulatory guidelines that help protect consumers and game integrity. Kalshi openly flouts these regulatory safeguards and brags about offering sports trading "in all 50 states" – whether states allow them or not.[5]

Targeting Young People: Most U.S. jurisdictions that authorize sports wagering require participants to be at least 21. Kalshi permits users as young as 18 to trade sports event contracts, including in jurisdictions where state law sets a higher minimum age for sports wagering. Kalshi accepts bets from teenagers at age 18. Not only does Kalshi appears to openly target young people with ads on Tik Tok, promoting betting as a "money hack" or "side hustle." [6]

Draining Funds from Problem Gambling Programs: Nearly every dollar that funds problem gambling prevention and treatment by states comes from taxes paid by legal, regulated gaming operators. By ignoring state licensing requirements, Kalshi and other prediction markets pay only a pittance in taxes compared to legal gaming companies, which ultimately reduces funding for problem gambling initiatives.

NCPG not only glosses over these facts, which should disqualify any organization from membership, but by welcoming Kalshi, NCPG actively confers legitimacy on its business model and leaves the public with the mistaken impression that prediction markets adhere to the same consumer protections, licensing requirements, responsible marketing standards, and regulatory oversight as legitimate sports betting operators.

Given our decision, BetMGM Director of Responsible Gambling Rich Taylor also will be resigning from your Board, effective immediately.

MGM Resorts' and BetMGM's commitment to promoting responsible gambling and helping people who experience problems with gambling remains firm. Our efforts will continue despite our withdrawal from NCPG.

Sincerely,

Stephen L. Martino

Stephen L. Martino
Senior Vice President &
Chief Compliance Officer
MGM Resorts International

Rhea Loney

Rhea Loney
Chief Compliance Officer
BetMGM

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[4] *See* Press Release, N.Y. State Off. of the Att'y Gen., *Governor Hochul and Attorney General James Announce New York Has Sued Kalshi for Running Illegal Gambling Operation* (July 31, 2026), https://ag.ny.gov/press-release/2026/governor-hochul-and-attorney-general-james-announce-new-york-has-sued-kalshi.
[5] *See* Terry Oldreal, *Game On: Kalshi Brings 100% Legal Sports Trading to All 50 States*, Kalshi (Jan. 24, 2025), https://news.kalshi.com/p/game-on-kalshi-sports-trading-is-now-100-legal-in-all-50-states-2
[6] *See* Olivia Little, *Kalshi Is Aggressively Advertising on TikTok, Seemingly Targeting Young People While Promising a "Money Hack"*, Media Matters for Am. (Mar. 30, 2026), https://www.mediamatters.org/tiktok/kalshi-aggressively-advertising-tiktok-seemingly-targeting-young-people-while-promising.