

Kevin Frankel Authors Bloomberg Law Analysis on Polymarket's Federal Preemption Fight

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Kevin Frankel, partner at Benesch and chair of the firm's [State Attorneys General Investigations & Enforcement Practice](#), authored an article for Bloomberg Law examining the escalating legal battle between prediction market platforms and state gambling regulators, with Michigan emerging as a critical test case.

In the article, "Polymarket's Fight Is for Next Generation of Financial Markets," Kevin analyzes Polymarket's decision to file a preemptive federal lawsuit against Michigan Attorney General Dana Nessel following state enforcement action against rival platform Kalshi. The piece explores the central legal question confronting the industry: whether the federal Commodity Exchange Act preempts state gambling laws, or whether states retain authority to regulate prediction market contracts as unlawful wagering.

Kevin outlines Polymarket's three-pillar legal strategy, including its argument that the Commodity Futures Trading Commission holds exclusive jurisdiction over federally registered prediction markets, that the contracts at issue are derivatives rather than bets, and that state-level enforcement would cause irreparable harm by fragmenting national liquidity through geofencing. He also places the litigation in broader political and regulatory context, noting the CFTC's recent shift toward actively defending its jurisdiction and criticizing state attempts to regulate these markets.

The article highlights why Michigan's dual-track litigation of simultaneous proceedings in state and federal court raises the risk of conflicting rulings and accelerates the likelihood of U.S. Supreme Court review. As Kevin explains, the outcome could determine whether prediction markets evolve into a nationally unified financial tool or remain subject to a fragmented, state-by-state regulatory regime.

Read the [full article on Bloomberg Law](#).