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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

April 15, 2026

The Honorable Paul Atkins
Chairman
Securities and Exchange Commission
100 F St NE
Washington, D.C. 20549

Dear Chairman Atkins,

I write regarding the Securities and Exchange Commission's (the "Commission" or "SEC") publication of Fiscal Year 2025 ("FY 2025") enforcement data,¹ which the agency finally released last week following a months-long delay.² The trends revealed by these data were deeply disturbing, showing that the Commission has largely abdicated its enforcement responsibilities since you took office, with enforcement activity declining by 20%—to the lowest level in more than 20 years.³

These data also raise significant concerns about your candor with Congress at a February 12, 2026 hearing before the Senate Committee on Banking, Housing, and Urban Affairs ("Banking Committee"). At the hearing,⁴ I specifically asked you to comment on publicly available data highlighting a decline in SEC enforcement activity. In response, you demurred, stating that you were "not sure what data" I was looking at:

Senator Warren: *So the SEC is supposed to be the cop on the beat, enforc[ing] our securities laws...But under your watch, the SEC doesn't seem interested in enforcing our laws against corporate crime. So I'm looking at the data here and over the past year, the SEC has*

¹ SEC, "SEC Announces Enforcement Results for Fiscal Year 2025," April 7, 2026, <https://www.sec.gov/newsroom/press-releases/2026-34>.

² Between 2015 and 2024, the SEC released enforcement results in October or November. SEC, <https://www.sec.gov/newsroom/press-releases/2024-186>; <https://www.sec.gov/newsroom/press-releases/2023-234>; <https://www.sec.gov/newsroom/press-releases/2022-206>; <https://www.sec.gov/newsroom/press-releases/2021-238>; <https://www.sec.gov/newsroom/press-releases/2020-274>; <https://www.sec.gov/newsroom/press-releases/2019-233>; <https://www.sec.gov/newsroom/press-releases/2018-250>; <https://www.sec.gov/files/enforcement-annual-report-2017.pdf>; <https://www.sec.gov/newsroom/press-releases/2016-212>; <https://www.sec.gov/newsroom/press-releases/2015-245>.

³ SEC, "Addendum to Division of Enforcement Press Release," <https://www.sec.gov/files/2026-34-addendum.pdf>; Sidley, "SEC Enforcement FY2025 Results Signal Shift in Priorities in Direct Critique of Prior Administration," April 9, 2026, <https://www.sidley.com/en/insights/newsupdates/2026/04/sec-enforcement-fy2025-results-signal-shift-in-priorities-in-direct-critique-of-prior-administration>.

⁴ CQ, "Senate Banking, Housing and Urban Affairs Committee Holds Hearing on SEC," February 12, 2026, <https://plus.cq.com/doc/congressionaltranscripts-8407375?2>.

brought fewer new enforcement actions than at any point in the last decade. Do I have that right?

Chairman Atkins: *I'm not sure what data you're looking at because we actually haven't released our data yet, but I would disagree with your premise.*

Now, it is clear that my assertion regarding the SEC's declining enforcement actions was correct: the data you released last week show that the number of enforcement actions initiated by the SEC was lower than at any point in the last decade. In fact, it gets worse: not only are enforcement actions down compared to the last decade, they are the lowest in *twenty* years. To the extent you were aware of the SEC's FY 2025 enforcement data at the time of the hearing—which took place over four months after the end of the fiscal year—your deflection and claim to be unsure of the “data” I was examining now appear deeply misleading, potentially designed to cast doubt on the now obvious fact that enforcement activity has declined significantly at the Commission under your watch.

In that same exchange,⁵ I gave you yet another opportunity to correct the record, and you refused to do so, instead claiming ignorance about publicly reported data on the decline in enforcement:

Senator Warren: *I'm looking at public data, securities offerings for example, down 10.64% in 2025 to 2024. Investment advisers enforcements down 23.71%. Issuing, reporting, auditing, and accounting down 32.65%. Broker dealer down 29.51%. You have any reason to believe those data are wrong? These all come from publicly reported data.*

Chairman Atkins: *Again, I'm not sure what you're looking at, but we will release our numbers.*

In the context of the data you released last week, your answers in February were deeply troubling and raise concerns that you may have been deliberately trying to mislead the Committee about the state of SEC enforcement. Deliberately misleading Congress can carry severe penalties.⁶

In addition to raising questions about your candor and the veracity of your testimony, the new data released last week raises fresh concerns about the Commission's failure to meet its obligations of promoting market integrity and protecting against misconduct. Between 2015 and 2024, total enforcement actions ranged from 583, in 2024, to 868, in 2016, with an average of 765.⁷ In FY 2025, the Commission brought 456 total enforcement actions—which *includes* the

⁵ *Id.*

⁶ *See, e.g.*, 18 USC 1001 (Any individual who “knowingly and willfully ... “falsifies, conceals, or covers up ... a material fact” or “; ... [or] makes any materially false, fictitious, or fraudulent statement or representation,” in conjunction with “any investigation or review, conducted pursuant to the authority of any committee, subcommittee, commission or office of the Congress,” is subject to a fine, or imprisonment of up to five years, or both.)

⁷ SEC, Division of Enforcement Annual Report 2019, www.sec.gov/files/enforcement-annual-report-2019.pdf (for 2015-2019 data); SEC, Addendum to Division of Enforcement Press Release, <https://www.sec.gov/files/fy24-enforcement-statistics.pdf> (for 2019-2024 data).

200 enforcement actions filed in the first quarter of FY 2025, under previous Chair Gary Gensler.⁸ The Commission also reports that it obtained orders for monetary relief totaling \$17.9 billion.⁹ But after excluding \$15 billion from a Ponzi scheme case brought by the Commission in 2009, the SEC “secured only about \$3 billion in total monetary relief, also the lowest in five years.”¹⁰ Worse still, “money actually distributed to victims—the most direct measure of investor protection—fell to \$262 million, down from \$937 million in fiscal 2022 and, again, the lowest in five years.”¹¹

The Commission’s release indicates that it “deliberately refocused”¹² the enforcement division on matters of fraud. Even if we accept this premise as true, however, the securities laws, as enacted by Congress, recognize that investors can be harmed in many ways beyond fraud and impose a wide range of duties and prohibitions on misconduct in the capital markets. For instance, reporting and audit requirements ensure that investors receive timely and accurate information on which to base their investment and voting decisions. Registration and other compliance requirements ensure proper SEC oversight, including over broker-dealers, investment advisers, and investment companies, which often facilitate market access for retail investors. But the Commission’s enforcement data shows year-over-year declines across various categories, most notably in the Issuer Reporting/Audit & Accounting (47 in 2025 vs. 60 in 2024), Broker-Dealer (65 in 2025 vs. 98 in 2024) and Investment Advisers/Investment Company categories (99 in 2025 vs. 135 in 2024).¹³ The Commission’s promise of a “renewed emphasis on holding *individual* wrongdoers accountable”¹⁴ also seems to foreshadow decisions allowing *corporate* misconduct to go unpunished going forward.

The decline in enforcement follows reports of significant turmoil in the Division of Enforcement since the beginning of your tenure. The Division has lost nearly 20% of its staff, including 13% in the Division of Enforcement in headquarters, and more across its regional offices.¹⁵ Then, even though “typically, S.E.C. enforcement chiefs serve for years,”¹⁶ the Division’s director, Judge Margaret Ryan, abruptly resigned from her position, after only six months on the job.¹⁷ News

⁸ *Supra* note 1; SEC, “SEC Announces Record Enforcement Actions Brought in First Quarter of Fiscal Year 2025,” January 17, 2025, <https://www.sec.gov/newsroom/press-releases/2025-26>.

⁹ *Supra* note 1.

¹⁰ Quinn Emanuel, “SEC Enforcement in Freefall—or Inflection Point? The Fiscal 2025 Numbers,” April 8, 2026, <https://quinnights.quinnemanuel.com/post/102mp4m/sec-enforcement-in-freefall-or-inflection-point-the-fiscal-2025-numbers>.

¹¹ *Id.*

¹² *Supra* note 1.

¹³ SEC, Addendum to Division of Enforcement Press Release, April 7, 2026, <https://www.sec.gov/2026-34-addendum.pdf> for 2025 results; SEC, Addendum to Division of Enforcement Press Release, November 22, 2024, <https://www.sec.gov/files/fy24-enforcement-statistics.pdf> for 2024 results.

¹⁴ *Supra* note 1; approximately two-thirds of standalone actions named at least one individual, at 27% increase year over year.

¹⁵ Reuters, “US SEC Buyouts Hit Legal, Investment Divisions Hardest, Data Shows,” Douglas Gillison and Chris Prentice, May 16, 2025, <https://www.reuters.com/business/world-at-work/secs-legal-investment-markets-divisions-cut-up-19-staff-after-buyout-program-2025-05-15>.

¹⁶ NY Times, “S.E.C.’s Enforcement Chief Abruptly Resigns,” Ben Protess, March 16, 2026, <https://www.nytimes.com/2026/03/16/us/politics/sec-enforcement-chief-resigns.html>.

¹⁷ SEC, “SEC Announces Enforcement Division Director Judge Margaret A. Ryan Has Resigned From Agency,” press release, March 16, 2026, <https://www.sec.gov/newsroom/press-releases/2026-27-sec-announces-enforcement-division-director-judge-margaret-ryan-has-resigned-agency>.

reports suggest that Judge Ryan may have been stymied in her efforts to enforce the law, in particular against those tied to the President or his family.¹⁸

The data showing a sharp decline in enforcement actions under your watch, significant reduction in staff and the sudden leadership changes all raise serious questions about the Commission's willingness and capacity to protect investors and the markets. I also find deeply concerning your apparent inability to provide honest answers to Congress and the public about Commission activity. I ask you to please respond to the following questions by April 28, 2026:

1. At the time when you testified before Congress:
 - a. Were you aware that the Commission had brought only 456 total enforcement actions in FY2025? If you were not aware of this information at the time, when did you become aware of it?
 - b. Did you have any data or information at the time indicating that the number of enforcement actions was or would be at the lowest level in more than twenty years? If you were not aware of this information at the time, when did you become aware of it?
 - c. Had you already made the decision, as you explained when the Commission released its FY2025 enforcement data, to "redirec[t] resources . . . away from approaches that prioritized volume"?
2. Now that you have published the FY2025 enforcement data:
 - a. Do you agree that enforcement cases brought during FY2025 was at its lowest level in more than twenty years?
 - b. Do you agree that, excluding the amounts from the Stanford Ponzi scheme case, which was first brought in 2009, penalties and amounts returned to make victims were also at their lowest levels in five years?
 - c. Please explain how these dramatic declines in enforcement cases and penalties are consistent with the Commission's mission.

Thank you for your attention to this matter.

Sincerely,

¹⁸Reuters, "US SEC's Ex-Enforcement Chief Clashed with Bosses Over Trump Cases Before Leaving, Sources Say," Chris Prentice and Marisa Taylor, March 23, 2026, <https://www.reuters.com/business/finance/us-secs-ex-enforcement-chief-clashed-with-bosses-before-leaving-sources-say-2026-03-23/>.



Elizabeth Warren
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