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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

February 11, 2026

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

Dear Chairman Atkins:

On December 11, 2025, President Trump issued an executive order (the “Executive Order”) directing the Chairman of the Securities and Exchange Commission (“SEC”), the Chairman of the Federal Trade Commission, and the Secretary of the Department of Labor to limit the role of proxy advisors in the shareholder voting process.¹ Under the guise of reforming the proxy advisor market, the Executive Order, if implemented, appears to be designed to weaken shareholder rights and give more power to management, who will be less accountable to their shareholders.² I therefore write to request information regarding the SEC’s efforts to implement the Order and the impacts the Order will have on shareholders’ ability to hold corporate executives accountable.

Publicly traded companies hold annual meetings where shareholders vote on a series of governance decisions, including electing the company’s board of directors, providing an advisory role on executive compensation, and other topics, including those that may be proposed by shareholders.³ Shareholders—especially institutional investors, with their large number of holdings—often do so by proxy voting.⁴ Proxy voting is one of the most important ways that shareholders can exercise their rights and communicate with corporate leadership, and investors often work with proxy advisors to make educated proxy voting decisions. Proxy advisors offer

¹ Executive Order, Protecting American Investors From Foreign-Owned And Politically-Motivated Proxy Advisors, December 11, 2025, <https://www.whitehouse.gov/presidential-actions/2025/12/protecting-american-investors-from-foreign-owned-and-politically-motivated-proxy-advisors/>.

² Reuters, “New Trump order reining in proxy advisers could weaken shareholder rights,” Ross Kerber, December 16, 2025, <https://www.reuters.com/legal/government/new-trump-order-reining-proxy-advisers-could-weaken-shareholder-rights-2025-12-16/>.

³ Bloomberg, “The SEC Opposes Shareholder Proposals,” Matt Levine, November 18, 2025, <https://www.bloomberg.com/opinion/newsletters/2025-11-18/the-sec-opposes-shareholder-proposals>; Perkins Coie, “Annual Meeting of Shareholders,” <https://perkinscoie.com/public-company-handbook-chapter-8-annual-meeting-shareholders>.

⁴ Congressional Research Service, “Proxy Advisor Regulation: Recent Litigation, State Law Developments, and Federal Legislation,” Jay Sykes, September 4, 2025, <https://www.congress.gov/crs-product/R48691>; Americans for Financial Reform, “Fact Sheet: Proxy Advisors — What They Are And Why They Are Under Attack,” April 30, 2025, <https://ourfinancialsecurity.org/resources/fact-sheet-proxy-advisors-what-they-are-and-why-they-are-under-attack/>.

institutional shareholders information and expertise on the thousands of votes they may make each year. Consumer advocates describe proxy advisors as “information intermediaries, simplifying the often overwhelming proxy season ... by providing investors with independent research and voting recommendations.”⁵ These advocates also underscore the importance of getting unbiased advice from proxy advisors: “Without these firms, investors would receive only management’s perspective on the key issues a company faces, and all too often management’s perspective favors management over the long-term interests of the company and its shareholders.”⁶

On December 11, 2025, President Trump issued an Executive Order undermining the ability of investors to hold corporate managers accountable by targeting proxy advisor firms. Specifically, the “purpose” section of the Order, after describing proxy advisors as having “enormous influence over corporate governance matters” and “capital markets,” accuses proxy advisors of “us[ing] their substantial power to advance and prioritize radical politically-motivated agendas — like ‘diversity, equity, and inclusion’ and ‘environmental, social, and governance.’”⁷ It also describes market concentration within the proxy advisor industry, emphasizes that the two largest proxy advisor firms are “foreign-owned,” and promises to “restore public confidence in the proxy advisor industry...by promoting accountability, transparency, and competition.”⁸

Rather than focusing on steps to “restore public confidence” in proxy advisors, however, the Executive Order instead directs the SEC to conduct a sweeping review aimed at unwinding policies designed to help shareholders influence the actions of corporate directors.⁹ For example, the Order directs the SEC Chairman to “consider revising or rescinding all rules, regulations, guidance, bulletins, and memoranda relating to shareholder proposals, including Rule 14a-8 ... that are inconsistent with the purpose of this order.”¹⁰ SEC Rule 14-8 governs when companies may exclude shareholder proposals from their proxy voting materials and significant changes to these rules following the Order’s directive has the potential to further infringe on shareholder rights.¹¹ The Order similarly directs the SEC Chairman to consider revising or rescinding other rules, regulations, guidance, and other policies related to proxy advisors that are “inconsistent with the purpose of this order, especially to the extent that they implicate ‘diversity, equity, and inclusion’ and ‘environmental, social, and governance’ policies.”¹² This could further deprive shareholders of the ability to push corporate directors to address material investment risks. The Order goes on to direct the Chairman to examine additional aspects of the proxy advisor

⁵ Americans for Financial Reform, “Fact Sheet: Proxy Advisors — What They Are And Why They Are Under Attack,” April 30, 2025, <https://ourfinancialsecurity.org/resources/fact-sheet-proxy-advisors-what-they-are-and-why-they-are-under-attack/>.

⁶ Better Markets, “Fact Sheet: Proxy Advisory Firms Allow Shareholders to Effectively Oversee the Companies They Own,” April 28, 2025, <https://bettermarkets.org/newsroom/fact-sheet-proxy-advisory-firms-allow-shareholders-to-effectively-oversee-the-companies-they-own/>.

⁷ Executive Order, Protecting American Investors From Foreign-Owned And Politically-Motivated Proxy Advisors, December 11, 2025, <https://www.whitehouse.gov/presidential-actions/2025/12/protecting-american-investors-from-foreign-owned-and-politically-motivated-proxy-advisors/>.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*, 17 CFR 240.14a-8.

¹² Executive Order, Protecting American Investors From Foreign-Owned And Politically-Motivated Proxy Advisors, December 11, 2025, <https://www.whitehouse.gov/presidential-actions/2025/12/protecting-american-investors-from-foreign-owned-and-politically-motivated-proxy-advisors/>.

industry, such as firms' engagement with investment advisors, in an attempt to further restrict proxy advisors' ability to provide information and recommendations to shareholders.¹³

Ultimately, rather than a meaningful attempt to reform the proxy advisor industry, the Executive Order appears to be part of a multi-faceted ploy by the Trump Administration to weaken shareholders' ability to participate in corporate decision-making.¹⁴ Like other recent Republican attacks on proxy advisors, the effort ultimately “serve[s] to further insulate the management of public companies from investor input and accountability” on behalf of “corporate interests and executives who don't want to answer to their investors.”¹⁵ To help me better understand the SEC's efforts to implement the December 11, 2025, Executive Order, I request answers to the following questions no later than February 25, 2026:

1. What steps has your agency taken or what steps do you intend to have your agency take to comply with the Executive Order? Specifically:
 - a. The Executive Order directs the SEC Chair to “review all rules, regulations, guidance, bulletins, and memoranda relating to proxy advisors. Consistent with the Administrative Procedure Act...the SEC Chairman shall consider revising or rescinding those rules, regulations, guidance, bulletins, and memoranda that are inconsistent with the purpose of this order, especially to the extent that they implicate ‘diversity, equity, and inclusion’ and ‘environmental, social, and governance’ policies.”
 - i. Provide a list of all rules, regulations, guidance, bulletins, and memoranda relating to proxy advisors that you have reviewed as of February 12, 2026.
 - ii. Provide a list of all rules, regulations, guidance, bulletins, and memoranda relating to proxy advisors that you intend to review to comply with the Executive Order
 - iii. Which rules, regulations, guidance, bulletins, and memoranda relating to proxy advisors does the SEC plan to revise? For each rule, regulation, guidance, bulletin, and memoranda listed, provide a rationale.

¹³ *Id.*

¹⁴ In November 2025, for example, the SEC announced that it would no longer provide no-action relief to most companies seeking to omit shareholder proposals from their proxy materials for the 2025-2026 proxy season. Instead, the SEC announced its intention to “not object” to *any* request to omit a proposal accompanied by “an unqualified representation that the company has a reasonable basis to exclude the proposal based on the provisions of Rule 14a-8, prior published guidance, and/or judicial decisions,” without the traditional independent analysis—in effect, allowing companies to shunt shareholder proposals off their agendas whenever they want, with the SEC's blessing. While framed as a temporary solution, the SEC's actions are undermining critical investor protections while allowing companies to skirt accountability from their capital providers. *See* U.S. Securities and Exchange Commission, “Statement Regarding the Division of Corporation Finance's Role in the Exchange Act Rule 14a-8 Process for the Current Proxy Season,” November 17, 2025, <https://www.sec.gov/newsroom/speeches-statements/statement-regarding-division-corporation-finance-role-exchange-act-rule-14a-8-process-current-proxy-season>; U.S. Securities Exchange, “Statement on Division of Corporation Finance's Announcement on the 14a-8 Process,” Commissioner Caroline A. Crenshaw, November 17, 2025, <https://www.sec.gov/newsroom/speeches-statements/crenshaw-statement-division-corp-fins-announcement-14a-8-process-111725>.

¹⁵ Americans for Financial Reform, “Fact Sheet: Proxy Advisors — What They Are And Why They Are Under Attack,” April 30, 2025, <https://ourfinancialsecurity.org/resources/fact-sheet-proxy-advisors-what-they-are-and-why-they-are-under-attack/>

- iv. Which rules, regulations, guidance, bulletins, and memoranda relating to proxy advisors does the SEC plan to rescind? For each rule, regulation, guidance, bulletin, and memoranda listed, provide a rationale.
- b. The Executive Order directs the SEC Chair to “consider revising or rescinding all rules, regulations, guidance, bulletins, and memoranda relating to shareholder proposals, including Rule 14a-8 [...], that are inconsistent with the purpose of this order.”
 - i. Provide a list of all rules, regulations, guidance, bulletins, and memoranda relating to shareholder proposals that you intend to examine, or have examined, to comply with the Executive Order.
 - ii. Which rules, regulations, guidance, bulletins, and memoranda relating to shareholder proposals does the SEC plan to revise? For each rule, regulation, guidance, bulletin, and memoranda listed, provide a rationale.
 - iii. Which rules, regulations, guidance, bulletins, and memoranda relating to shareholder proposals does the SEC plan to rescind? For each rule, regulation, guidance, bulletin, and memoranda listed, provide a rationale.
- c. The Executive Order states that the SEC Chairman “shall...enforce the Federal securities laws’ anti-fraud provisions with respect to material misstatements or omissions contained in proxy advisors’ proxy voting recommendations.” To date what steps have been taken to comply with this clause of the Executive Order? What steps does the SEC plan to take?
- d. The Executive Order states that the SEC Chairman “shall...assess whether to require proxy advisors whose activities fall within the scope of the Investment Advisers Act of 1940...and the rules promulgated thereunder, to register as Registered Investment Advisers.” To date what steps have been taken to comply with this clause of the Executive Order? What steps does the SEC plan to take?
- e. The Executive Order states that the SEC Chairman “shall...consider requiring proxy advisors to provide increased transparency on their recommendations, methodology, and conflicts of interest, especially regarding ‘diversity, equity, and inclusion’ and ‘environmental, social, and governance’ factors.” To date what steps have been taken to comply with this clause of the Executive Order? What steps does the SEC plan to take?
- f. The Executive Order states that the SEC Chairman “shall... analyze whether, and under what circumstances, a proxy advisor serves as a vehicle for investment advisers to coordinate and augment their voting decisions with respect to a company’s securities and, through such coordination and augmentation, form a group for purposes of sections 13(d)(3) and 13(g)(3) of the Securities Exchange Act of 1934.” To date what steps have been taken to comply with this clause of the Executive Order? What steps does the SEC plan to take?

- g. The Executive Order states that the SEC Chairman “shall...direct SEC staff to examine whether the practice of Registered Investment Advisers engaging proxy advisors to advise on (and following the recommendations of such proxy advisors with respect to) non-pecuniary factors in investing, including, as appropriate, ‘diversity, equity, and inclusion’ and ‘environmental, social, and governance’ factors, is inconsistent with their fiduciary duties.” To date what steps have been taken to comply with this clause of the Executive Order? What steps does the SEC plan to take?
2. How will complying with the Executive Order impact the ability of institutional investors to make timely, informed voting decisions across their portfolios? Provide copies of any analyses, studies, or other internal assessments of the impact of this Executive Order. If no analyses, studies, or internal assessments exist, why not?
3. How will complying with the Executive Order impact how your agency prioritizes other enforcement actions, rulemaking, issuance of guidance, or other agency activity?

Thank you for your attention to this matter.

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs