United States Senate

WASHINGTON, DC 20510

July 21, 2026

The Honorable Orice Williams Brown
Acting Comptroller General
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Acting Comptroller General Brown:

I write to ask that the Government Accountability Office (GAO) conduct a review of actions taken at the Commodity Futures Trading Commission ("CFTC," or "the Commission") to reduce the CFTC's workforce. Since January 2025, the agency's staff has shrunk by 25 percent,[1] and as recently as June 1, 2026, the CFTC was reportedly "offering buyouts and early retirement packages" to staff.[2] The CFTC has simultaneously seen a precipitous drop in enforcement activity. Therefore, I request that GAO investigate staffing cuts at the CFTC and their impact on the CFTC's enforcement capabilities and broader mandate to regulate American derivatives markets.

The CFTC's mission is "to promote the integrity, resilience, and vibrancy of the U.S. derivatives markets through sound regulation."[3] Derivatives are "contract[s] that [derive] [their] value from some underlying asset at a designated point in time," allowing counterparties to hedge risk on underlying sale contracts.[4] Since its establishment in 1974, the CFTC has administered the Commodity Exchange Act,[5] which governs futures and options contracts traded on regulated exchanges; and since the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010[6] has similarly regulated swaps.[7] A well-functioning CFTC is vital to promoting the health and stability and integrity of America's financial markets.

Recent reporting suggests that the CFTC may be inhibited in meeting this mandate due to staffing cuts that threaten to weaken its enforcement. Under Acting Chairman Caroline Pham, "the CFTC saw a ~25% reduction in its staff headcount, which the regulator said was part of the government-wide purge of civil servants under Elon Musk's controversial DOGE project. And

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[1] CoinGeek, "CFTC purged staff who raised crypto, prediction market concerns," Steven Stradbrooke, May 26, 2026, https://coingeek.com/cftc-purged-staff-who-raised-crypto-prediction-market-concerns/.
[2] Politico Pro, "Wall Street regulator offers staff buyouts," Declan Harty, June 1, 2026, https://subscriber.politicopro.com/article/2026/06/wall-street-regulator-offers-staff-buyouts-00945487
[3] U.S. Commodity Futures Trading Commission, "About The Commission," https://www.cftc.gov/About/AboutTheCommission.
[4] Congressional Research Service, Introduction to Derivatives and the Commodity Futures Trading Commission, Rena S. Miller, March 13, 2025, https://www.congress.gov/crs_external_products/R/PDF/R48451/R48451.2.pdf.
[5] 7 U.S.C. § 1 et seq.
[6] 15 U.S.C. § 8302(a)(1).
[7] Congressional Research Service, Introduction to Derivatives and the Commodity Futures Trading Commission, Rena S. Miller, March 13, 2025, https://www.congress.gov/crs_external_products/R/PDF/R48451/R48451.2.pdf.

while [current Chairman Michael] Selig claims the CFTC is 'hiring,' the agency has so far requested only three additional enforcement employees."[8]

Reporting also suggests that at least some of the firings may have aligned with industry interests. The *New York Times* reported that "[i]n the past 16 months . . . the Commission has shrunk its work force, purged career officials, sharply curtailed crypto enforcement and helped out prediction markets at virtually every turn[.]"[9] According to reports, "Senior [CFTC] career officials worried about whether Crypto.com was treating small bettors fairly. They feared that a second firm, Polymarket, did not have strong enough protections against fraud. A third, an offshoot of the crypto firm Gemini, had yet to pass the agency's required review to open for business. Despite these concerns, Caroline D. Pham, then acting chairman of the commission, and her senior counsel intervened to help the firms get what they wanted."[10] According to these reports, the senior staff who raised these concerns – in the course of doing their jobs, as required by the CFTC's mission – were "purged."[11]

Perhaps not surprisingly, staffing cuts have been accompanied by a steep decline in CFTC enforcement actions over the same period. According to *Reuters*, "In the 2024 fiscal year, the agency brought 58 enforcement actions and obtained monetary relief of over $17.1 billion. In the 12 months since the change in administration, the agency brought just 11 enforcement actions and obtained less than $1 billion in monetary relief—less than $10 million of which resulted from actions filed by the current administration."[12] This all comes as the CFTC's responsibilities could grow significantly: For one thing, the agency has asserted exclusive jurisdiction over prediction markets, in an attempt to crowd out state and tribal gambling authorities.[13] The problem may be compounded by crypto market structure legislation working its way through Congress that could require significant CFTC resources to implement.[14]

Given reasonable concerns that staffing cuts may have a material impact on the CFTC's ability to carry out its mandate as required by current law, I request that the GAO thoroughly reviews the staffing cuts. At a minimum, the review should evaluate the following:

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[8] CoinGeek, "CFTC purged staff who raised crypto, prediction market concerns," Steven Stradbrooke, May 26, 2026, https://coingeek.com/cftc-purged-staff-who-raised-crypto-prediction-market-concerns/.

[9] The New York Times, "How Prediction Markets and Crypto Firms Steamrolled a Watchdog Agency," Sharon LaFraniere and David Yaffe-Bellany, May 24, 2026, https://www.nytimes.com/2026/05/24/us/how-prediction-markets-and-crypto-firms-steamrolled-a-watchdog-agency.html.

[10] The New York Times, "How Prediction Markets and Crypto Firms Steamrolled a Watchdog Agency," Sharon LaFraniere and David Yaffe-Bellany, May 24, 2026, https://www.nytimes.com/2026/05/24/us/how-prediction-markets-and-crypto-firms-steamrolled-a-watchdog-agency.html.

[11] CoinGeek, "CFTC purged staff who raised crypto, prediction market concerns," Steven Stradbrooke, May 26, 2026, https://coingeek.com/cftc-purged-staff-who-raised-crypto-prediction-market-concerns/.

[12] Reuters, "The CFTC's enforcement year in review reveals dramatic shift," John C. Murphy, James Joseph Benjamin Jr., and Peter I. Altman, January 22, 2026, https://www.reuters.com/legal/transactional/cftcs-enforcement-year-review-reveals-dramatic-shift--pracin-2026-01-22/.

[13] Commodity Futures Trading Commission, "CFTC Reaffirms Exclusive Jurisdiction over Prediction Markets in U.S. Circuit Court Filing," press release, February 17, 2026, https://www.cftc.gov/PressRoom/PressReleases/9183-26.

[14] Digital Asset Market Clarity Act of 2025, H.R.3633, https://www.congress.gov/bill/119th-congress/house-bill/3633/text; JD Supra, "The Clarity Act Advances: 4 Key Takeaways on the Emerging US Regulatory Framework for Digital Assets," Amina Hassan and Erin Pamukcu, June 2, 2026, https://www.jdsupra.com/legalnews/the-clarity-act-advances-4-key-7584796/.

1. The extent to which staffing cuts, including buyouts, complied with all relevant federal laws and regulations, including ethics rules and civil service protections.

2. The extent to which the staffing cuts have impacted the agency's ability to fulfill its mandate and its statutorily required functions, and whether they have contributed to the reported decline in enforcement activity.

3. The extent to which such actions have contributed to, detracted from, or had no impact on the prevalence of fraud, waste, and abuse at the CFTC.

Sincerely,

Elizabeth Warren

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