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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

March 28, 2025

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Comptroller General Dodaro:

We write to request that the Government Accountability Office (GAO) conduct a review of recent actions undertaken at the U.S. Securities and Exchange Commission (SEC), including any efforts led by or coordinated with the White House, the newly established Department of Government Efficiency (DOGE), or other Executive Office staff, to cut staff, terminate contracts and leases, and consolidate SEC functions. Specifically, we ask GAO to investigate the impact of these actions on the SEC's ability to protect investors and comply with its statutory mandates. Our request comes amid reports that the SEC is "beginning to onboard DOGE staff" and provide DOGE officials with "network, system and data access" at the Commission.¹

The SEC is the nation's primary enforcer of securities laws and works to "protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation."² Through its registration process, the Commission ensures that investors receive accurate and timely information from public companies, brokers and dealers, exchanges, and other market participants to guide their investments. It prohibits bad actors from manipulating markets at the expense of consumers, enforces securities laws, and establishes rules of the road to prevent fraud, abuse, and mismanagement.³ Efforts to reduce SEC staff or limit the SEC's functions, therefore, have the potential to significantly harm investors.

Given the importance of the SEC, we are concerned by recent reports regarding the Trump Administration's efforts to shrink the agency in the name of government efficiency. According to recent reports, the Commission is "facing a staff exodus across key departments" after over 600 SEC employees—or roughly 12% of the agency's staff—agreed to voluntarily leave the agency in response to DOGE-driven efforts to "slash the federal workforce."⁴ Staff departures have reportedly hit the SEC's Office of General Counsel and its Enforcement Division "hardest,"

¹ Reuters, "Exclusive: US Securities and Exchange Commission beginning to onboard DOGE staff, email says," Chris Prentice and Douglas Gillison, March 28, 2025, <https://www.reuters.com/world/us/us-securities-exchange-commission-beginning-onboard-doge-staff-email-says-2025-03-28/>.

² U.S. Securities and Exchange Commission, "About," <https://www.sec.gov/about>.

³ U.S. Securities and Exchange Commission, "Statutes and regulations," <https://www.sec.gov/rules-regulations/statutes-regulations>.

potentially hampering key enforcement and investor protection efforts.⁵ Reports of staff departures come just weeks after SEC leadership announced its plans to eliminate leadership roles in 10 of its regional offices and terminate the leases of its Los Angeles and Philadelphia offices, raising further questions about the Commission’s capacity.⁶ Meanwhile, DOGE has allegedly canceled 33 contracts at the SEC over the course of February, including at least 11 involving expert witness services.⁷

It is essential that Congress and the public understand how the Trump Administration’s recent actions have affected the SEC’s ability to carry out its mission and statutory obligations. Therefore, we request that GAO conduct a review of actions that have occurred at the SEC since January 20, 2025, and report on the following:

1. A detailed review of actions taken by SEC leadership, including acting leadership, since January 20, 2025, to reduce the SEC’s workforce, terminate contracts or leases, eliminate or consolidate SEC divisions or offices, and otherwise reduce the resources available to the SEC to complete its work.
2. A detailed review of actions taken by White House staff, DOGE or DOGE-affiliated employees, or other Executive Office staff, including any volunteers, special government employees, and contractors, to reduce the SEC’s workforce, terminate contracts or leases, eliminate or consolidate SEC divisions or offices, and otherwise reduce the resources available to the SEC to complete its work. Please include information on DOGE employees’ access to SEC data, including whether or not that access was provided in accordance with federal law.
3. A detailed review of actions taken by SEC leadership, including acting leadership, to pause or halt enforcement and supervisory actions that were ongoing at the agency as of January 20, 2025. Please include information on the involvement of White House, DOGE, or other Executive Office employees, including any volunteers, special government employees, or contractors, in decisions to halt enforcement and supervisory actions.
4. A detailed review of the effects of recent efforts to reduce the SEC’s workforce, terminate contracts, eliminate or consolidate SEC divisions or offices, and otherwise reduce the resources available to the SEC on:
 - a. The ability of the SEC to comply with its statutorily mandated responsibilities.

⁴ Reuters, “US SEC to see exodus as hundreds take Trump’s buyout offers, sources say,” Chris Prentice and Douglas Gillison, March 21, 2025, <https://www.reuters.com/world/us/us-sec-see-exodus-hundreds-take-trumps-buyout-offers-sources-say-2025-03-21/>.

⁵ *Id.*

⁶ Reuters, “Exclusive: US SEC plans to cut regional directors as agency prepares for DOGE scrutiny, sources say,” Chris Prentice and Douglas Gillison, February 24, 2025, <https://www.reuters.com/world/us/us-securities-regulator-plans-cut-regional-directors-due-trump-administration-2025-02-24/>; Reuters, “US SEC says Trump administration to terminate building leases for Los Angeles, Philadelphia regional offices, March 3, 2025, <https://www.reuters.com/world/us/us-sec-says-trump-administration-terminate-building-leases-los-angeles-2025-03-03/>.

⁷ Department of Government Efficiency, “Savings,” accessed March 25, 2025, <https://www.doge.gov/savings>.

- b. The Commission's enforcement and supervisory responsibilities.
- c. The organizational structure of the SEC.
- d. Investors, regulated entities, and the markets the SEC oversees.

Sincerely,



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



Mark R. Warner
United States Senator