U.S. GOVERNMENT ACCOUNTABILITY OFFICE

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Acting Comptroller General
of the United States

June 10, 2026

Accessible Version

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

Priority Open Recommendations: Securities and Exchange Commission

Dear Mr. Chairman:

The purpose of this letter is to call your personal attention to an area in which an open recommendation to the Securities and Exchange Commission (SEC) should be given priority.

In January 2026, we reported that, on a government-wide basis, 77 percent of our recommendations made 5 years ago were implemented.[1] SEC's recommendation implementation rate was 100 percent. As of June 2026, SEC had eight open recommendations, including one priority recommendation.[2] Since our May 2025 letter, SEC has not yet fully implemented this priority recommendation.[3] Fully implementing this recommendation would directly support SEC's mission.

We are highlighting the following area that warrants your timely and focused attention:

- **Addressing blockchain technology risks.** Blockchain-related financial products and services have grown substantially in recent years. However, in 2023, we found that financial regulators lacked an ongoing coordination mechanism for addressing blockchain risks. Establishing such a mechanism, as we recommended, would help SEC and other regulators collectively identify risks and develop and implement a regulatory response in a timely manner.

The priority open recommendation for SEC also relates to GAO's High Risk List and work on Duplication and Cost Savings. Specifically, addressing blockchain technology risks relates to

[1]GAO, *Performance and Accountability Report, Fiscal Year 2025*, GAO-26-900644 (Washington, D.C.: Jan. 29, 2026).

[2]GAO considers a recommendation to be a priority if, when implemented, it may significantly improve government operations—for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

[3]GAO, *Priority Open Recommendations: Securities and Exchange Commission,* GAO-25-108049 (Washington, D.C.: May 22, 2025).

the high risk area of modernizing the U.S. financial regulatory system.[4] Several other government-wide, high risk areas also have direct implications for SEC and its operations, including ensuring the cybersecurity of the nation. In addition, we previously reported that the U.S. financial regulatory structure is fragmented among multiple regulators. Our recommendation to help address blockchain technology risks would help ensure that regulators take a collective approach to blockchain regulation. More information on our Duplication and Cost Savings work can be found on the GAO website.

A comprehensive list of open recommendations, including new priority recommendations, and information about their status can be found on the GAO website at Recommendations Database | U.S. GAO. Copies of this letter are being sent to the appropriate congressional committees.[5] This letter will also be available at Priority Recommendations | U.S. GAO.

We would welcome an opportunity to discuss how to address our open recommendations, as we pursue the shared goal of working to increase the efficiency and effectiveness of government programs and spending. Please do not hesitate to contact me or Daniel Garcia-Diaz, Managing Director of the Financial Markets and Community Investment team, at GarciaDiazD@gao.gov. Contact points for our offices of Congressional Relations and Media Relations may be found on the last page of this letter. Thank you for your personal attention to these important issues.

Sincerely,

//SIGNED//

Orice Williams Brown
Acting Comptroller General
of the United States

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[4]The High Risk List identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement. GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, GAO-25-107743 (Washington, D.C.: Feb. 25, 2025).

[5]We also help Congress identify congressional oversight actions that can help agencies implement priority recommendations, such as incorporating them into legislation. James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2),136 Stat. 2395, 3668 (2022) (codified at 31 U.S.C. § 719 note). Congress can also use its budget, appropriations, and oversight processes to incentivize SEC to act on our recommendations and monitor its progress. For example, Congress can hold hearings focused on SEC’s progress in implementing priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for SEC to act.