# SEC Enforcement Activity for Fiscal Year 2025: A Tale of Two Halves

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## NOTICE

# I. Executive Summary

**An analysis of US Securities and Exchange Commission (SEC) enforcement activity during Fiscal Year 2025 (FY25; October 1, 2024–September 30, 2025) reveals 506 enforcement actions, a 13% decline from FY24 levels. Relative to activity observed between FY18 and FY24, the second half of FY25 marked an unprecedented slowdown in SEC enforcement.**

The 506 enforcement actions in FY25 are well below the average of 716 enforcement actions observed during FY18 through FY25. The data also reveals a stark contrast between the first and second halves of FY25, roughly coinciding with the change in SEC leadership, when Chair Paul Atkins was sworn in – replacing Acting Chair Mark Uyeda[1] – on April 21, 2025. Compared with the first half of FY25, the latter period saw an unprecedented decline in enforcement activity. While the swearing-in of a new chair is typically followed by a temporary slowdown in enforcement activity, the decline in FY25 was well outside the historical norms.

In addition, we note the following key findings for the second half of FY25:

| Second Half of FY25 Enforcement Actions | |
|---|---|
| **Increase in:** | **Decline in:** |
| • Individuals as the sole respondents (47% of all actions)<br>• Proportion of cases involving securities offerings allegations (32% of all actions)<br>• Proportion of cases involving parallel criminal indictments (23% of all actions) | • Proportion of cases with non-individual entities as the sole respondents (a historically low 31% of all actions)<br>• Allegations involving the Foreign Corrupt Practices Act (down to zero), issuer reporting (6.3% of all actions), and broker-dealer fraud (7.6% of all actions) |

Overall, the findings for the second half of FY25 are consistent with Chair Atkins' statement at the start of his tenure at the SEC: "At the helm of the SEC, I can confidently say: It IS a new day. It is time for the SEC to end its waywardness and return to its core mission that Congress set for it: investor protection; fair, orderly, and efficient markets; and capital formation."[2]

[1] Chair Gensler stepped down on January 20, 2025. Commissioner Uyeda was appointed an Acting Chair on January 21, 2025. Chair Atkins was sworn in on April 21, 2025. (https://www.sec.gov/about/sec-commissioners/sec-historical-summary-chairmen-commissioners; https://www.sec.gov/newsroom/press-releases/2025-29)

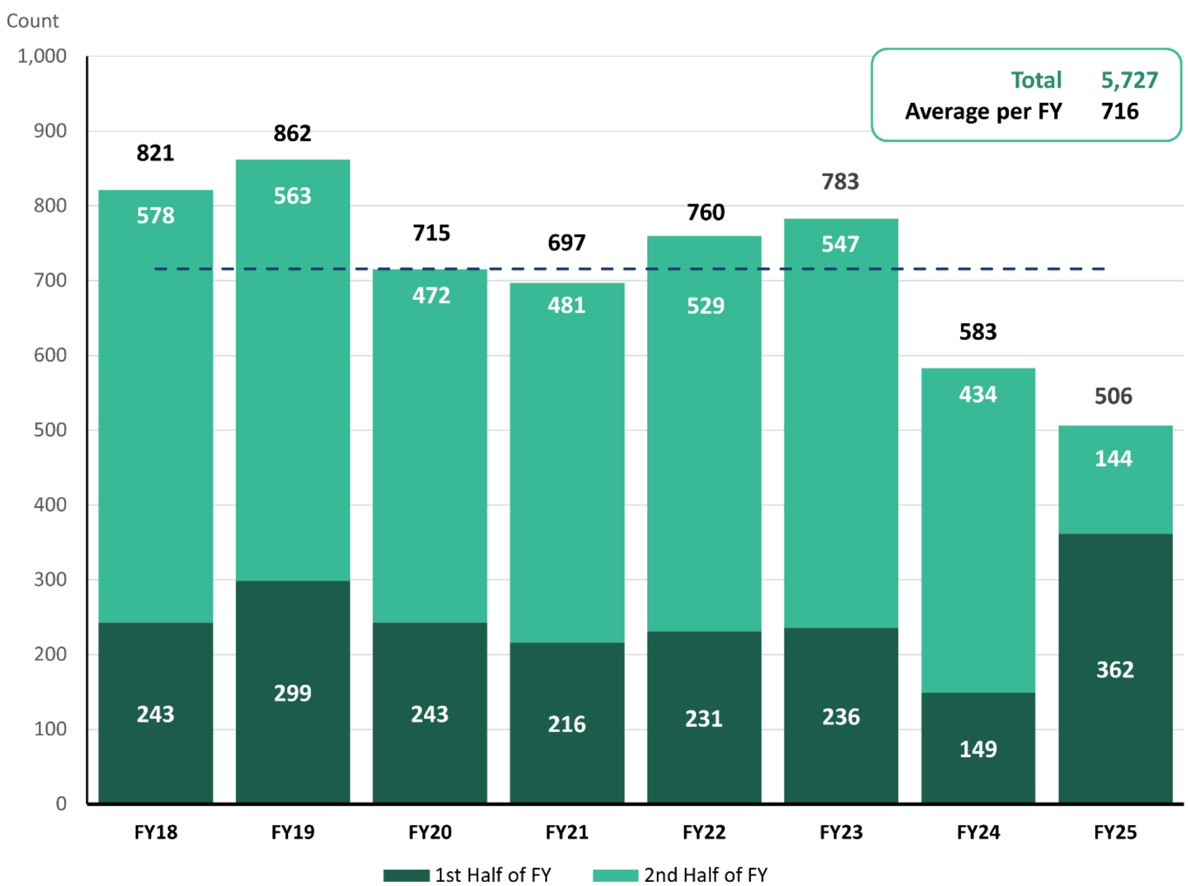
[2] Paul S. Atkins, "Remarks of Chairman Paul S. Atkins," April 22, 2025, https://www.sec.gov/newsroom/speeches-statements/atkins-white-house-042225.

## II. Annual SEC Enforcement Activity: FY18–FY25

FY25 recorded the lowest number of SEC enforcement actions during the FY18–FY25 period, with 506 actions filed – a 13% decline relative to FY24 and the second consecutive annual decrease. Over this eight-year span, there were a total of 5,727 SEC enforcement actions, with an average of 716 cases per fiscal year. The highest activity occurred in FY19, with 862 enforcement actions.

The low number of enforcement actions in FY25 was a result of the dearth of enforcement actions in the second half of the fiscal year. The second half of FY25 saw the fewest enforcement actions of any fiscal semi-annual period analyzed (144), explaining the overall low totals for FY25.

**FIGURE 1: ENFORCEMENT ACTIONS FOR FY18–FY25**




Source: Data from litigation releases, administrative proceeding releases, press releases, and SEC Division of Enforcement Annual Reports.

# III. Monthly Patterns in Enforcement Actions

Historically, the highest number of enforcement actions was announced in September of a given fiscal year. Figure 2 compares monthly counts of enforcement actions for FY25 to historical averages based on data from FY18 through FY24.

During the first four months of FY25 (i.e., from October 2024 through January 2025), the number of enforcement actions exceeded the historical average in each month. Starting with February 2025 (the first full month of Acting Chair Uyeda's tenure), the number of enforcement actions has been consistently below the monthly historical averages. We observe an increase in the number of actions filed starting in July 2025 and continuing through September 2025. However, this fiscal year-end increase was far below the historical average.

**FIGURE 2: MONTHLY ENFORCEMENT ACTIONS, FY18–FY24 AVERAGE VS. FY25**

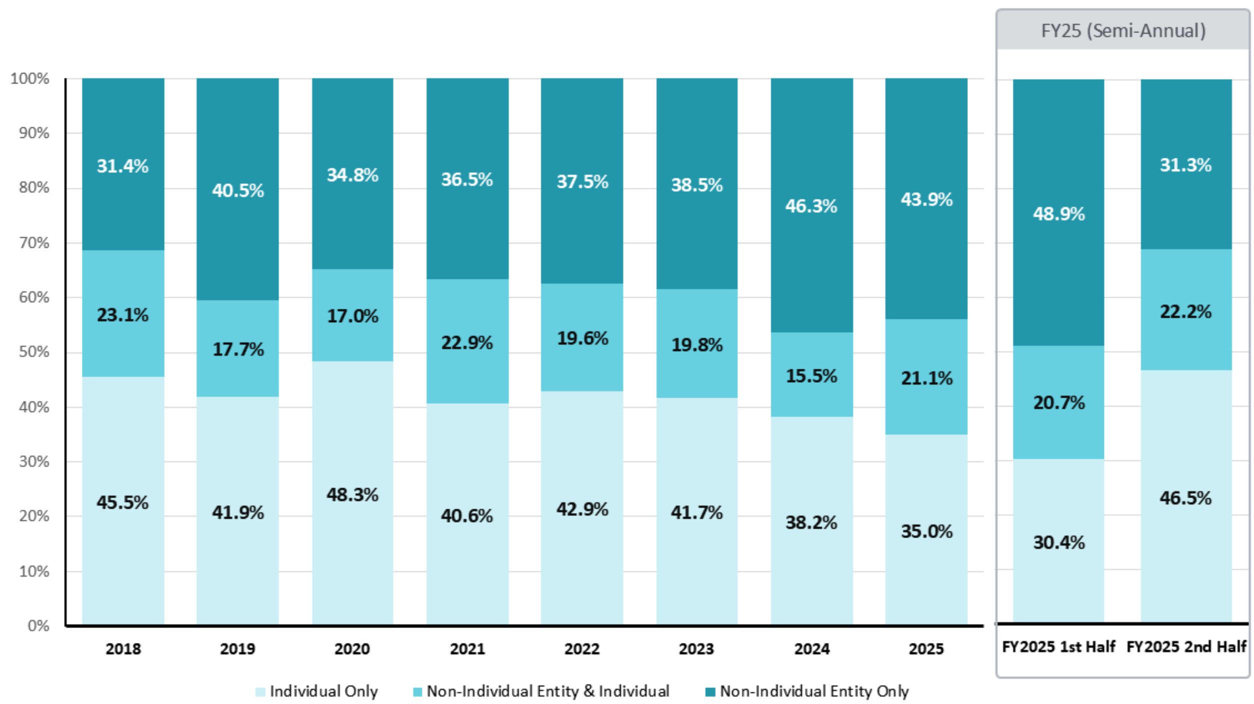

Source: Data from litigation releases, administrative proceeding releases, press releases, and SEC Division of Enforcement Annual Reports.

# IV. Respondent Types: Individual vs. Non-Individual Entities

Overall, FY25 had a continued decline in enforcement actions against individual respondents. However, there is a noticeable difference in the pattern between the first and the second half of the fiscal year. Specifically, during the first half of FY25, enforcement actions charging only individual respondents accounted for 30.4% of all actions, while the corresponding figure for the second half of FY25 was 46.5%. This 46.5% share is the second-highest proportion observed during the period analyzed; the highest proportion of cases against individual respondents was 48.3% in FY20.

The pattern for cases against non-individual entities shows the opposite pattern: 48.9% in the first half of FY25 (a historical high) versus 31.3% in the second half (a historical low). These patterns are consistent with a focus on the accountability of individual respondents.

**FIGURE 3: INDIVIDUAL AND NON-INDIVIDUAL ENTITY RESPONDENTS, FY18–FY25**




Source: Data from litigation releases, administrative proceeding releases, press releases, and SEC Division of Enforcement Annual Reports.

# V. Enforcement Actions by Type of Allegations

While the mix of allegations in SEC enforcement actions during the first half of FY25 was generally in line with prior years, the second half showed notable variations. Most prominently, the proportion of cases with allegations related to *Securities Offerings* in the second half of FY25 almost doubled to 31.9% relative to the past data – a historically high figure for any allegation category.

In contrast, allegations involving *Broker-Dealers* and *Issuer Reporting* roughly halved in the second half of FY25, to 7.6% and 6.3%, respectively. Cases with Foreign Corrupt Practices Act (FCPA) allegations dropped to 0% in the second half of the year, while the remaining allegation categories stayed relatively stable throughout FY25. The allegation category trends in the second half of FY25 are consistent with the focus on capital formation.

**FIGURE 4: FREQUENCY OF ENFORCEMENT ACTIONS BY TYPE OF ALLEGATIONS, FY18–FY25**

| FY Year | Investment Advisers / Investment Companies | Securities Offering | Broker-Dealer | Delinquent Filings | Issuer Reporting | Insider Trading | Market Manipulation | Other | Public Finance Abuse | FCPA | Total Number of Cases |
|---|---|---|---|---|---|---|---|---|---|---|---|
| FY18 | 20.7% | 15.8% | 20.6% | 14.7% | 12.9% | 6.2% | 4.0% | 1.2% | 2.2% | 1.6% | 821 |
| FY19 | 29.0% | 13.8% | 17.9% | 14.6% | 12.5% | 3.7% | 3.8% | 0.9% | 1.6% | 2.1% | 862 |
| FY20 | 19.2% | 19.3% | 19.9% | 18.2% | 10.3% | 4.6% | 3.9% | 1.5% | 1.7% | 1.4% | 715 |
| FY21 | 22.8% | 21.5% | 15.8% | 17.2% | 10.0% | 4.0% | 4.4% | 1.7% | 1.7% | 0.7% | 697 |
| FY22 | 22.9% | 14.9% | 17.4% | 17.0% | 12.0% | 5.7% | 4.6% | 2.2% | 2.6% | 0.8% | 760 |
| FY23 | 17.8% | 21.3% | 17.9% | 15.5% | 13.7% | 4.0% | 3.1% | 4.7% | 0.8% | 1.4% | 783 |
| FY24 | 23.2% | 16.6% | 16.8% | 10.1% | 10.3% | 6.0% | 3.3% | 11.0% | 2.4% | 0.3% | 583 |
| FY18–FY24 | 22.3% | 17.5% | 18.1% | 15.4% | 11.8% | 4.8% | 3.9% | 3.0% | 1.8% | 1.2% | 5,221 |
| FY25 1st Half | 23.2% | 15.2% | 16.3% | 16.3% | 13.0% | 6.6% | 4.7% | 0.3% | 1.7% | 2.8% | 362 |
| FY25 2nd Half | 21.5% | **31.9%** | **7.6%** | 18.8% | **6.3%** | 7.6% | 3.5% | 0.7% | 2.1% | **0.0%** | 144 |
| FY25 | 22.7% | 20.0% | 13.8% | 17.0% | 11.1% | 6.9% | 4.3% | 0.4% | 1.8% | 2.0% | 506 |

Source and Note: Data from litigation releases, administrative proceeding releases, press releases, and SEC Division of Enforcement Annual Reports. Color coding reflects ordering from least frequent (red) to most frequent (green). Figures in bold are discussed in the text.

# VI. Enforcement Actions with Parallel Criminal Indictments

Across FY25, the proportion of SEC enforcement actions with parallel criminal indictments was 13.0%, well within the historical range of 8.3% to 16.6%. However, during the second half of the fiscal year, 22.9% of enforcement actions involved parallel criminal investigations, a historical all-time high.

However, given the low enforcement activity in the second half of FY25 (144 cases), even this high fraction of criminal indictments yields a historically low number of criminal parallel cases (33).

**FIGURE 5: ENFORCEMENT ACTIONS WITH PARALLEL CRIMINAL INDICTMENT, FY18–FY25**

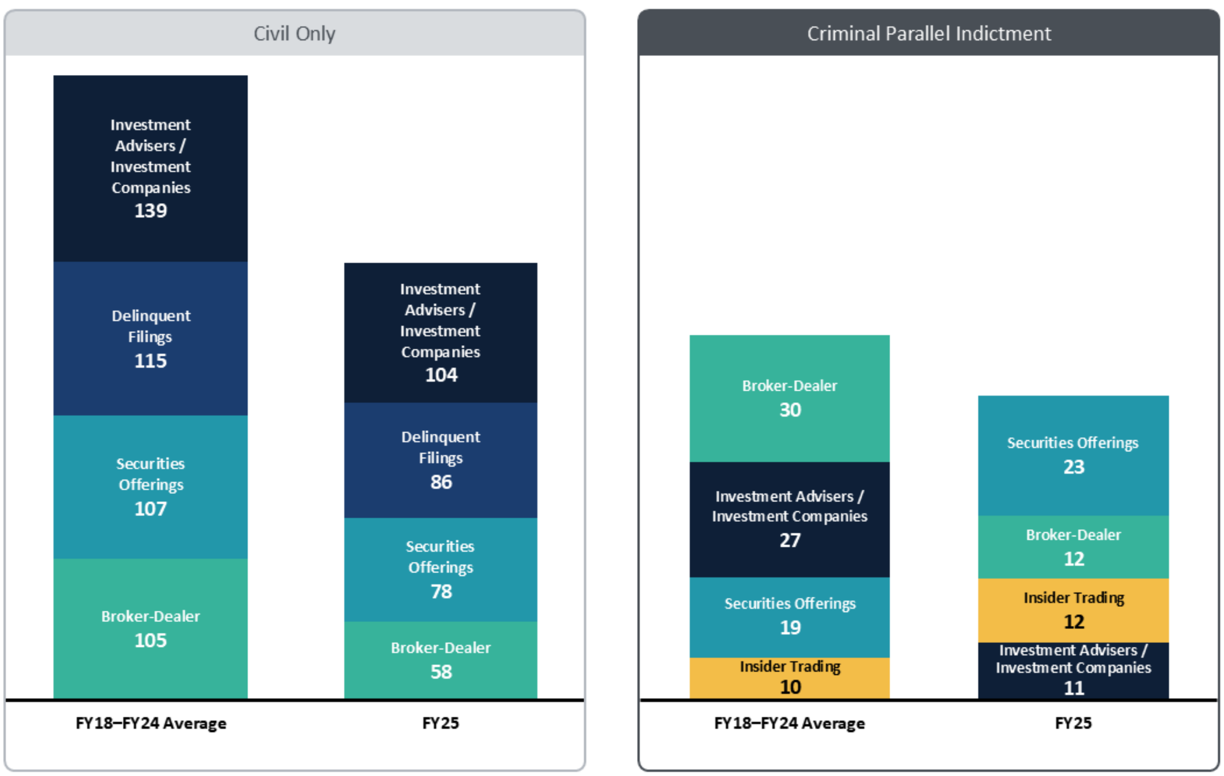

Source: Data from litigation releases, administrative proceeding releases, press releases, and SEC Division of Enforcement Annual Reports.

# VII. Allegation Types for Cases With and Without Parallel Criminal Indictments

For enforcement actions that involved only civil charges, the ranking of the four most frequent allegation categories in FY25 mirrored that of the FY18–FY24 period. The most common allegation in both periods involved *Investment Advisers / Investment Companies*, with 104 enforcement actions in FY25, compared to an annual average of 139 in FY18–FY24.

For enforcement actions that involved parallel criminal indictments, the same four allegation categories dominated both periods, although their order shifted. *Securities Offering* allegations rose to the top rank in FY25 (while being the third most frequent allegation type during FY18–FY24, on average). Meanwhile, *Investment Advisers / Investment Companies* allegations dropped from the second most frequent allegation type in FY18–FY24, on average, to fourth in FY25.

**FIGURE 6: MOST FREQUENT ALLEGATIONS: CASES WITH AND WITHOUT CRIMINAL INDICTMENTS FY18–FY24 AVERAGE VS. FY25**




Source: Data from litigation releases, administrative proceeding releases, press releases, and SEC Division of Enforcement Annual Reports.

# VIII. Prior Predictions for FY25 and Predictions for FY26

In our prior publication analyzing SEC enforcement activity through Q3 2025, we predicted an increase in SEC enforcement activity leading up to September 30, 2025. This prediction proved largely accurate, as the number of enforcement actions increased each month starting in July 2025 and leading up to the fiscal year-end. However, the increase in enforcement actions in September 2025 is nowhere near as large when compared to the average increase in past years.

Relative to FY25, looking ahead to FY26, we predict:

- A further decline in enforcement activity;
- An increased proportion of cases involving individual respondents;
- An increased proportion of cases focused on capital formation; and
- An increased proportion of cases with parallel criminal indictment.

The trajectory of SEC enforcement activity in FY26 will test whether the currently observed FY25 slowdown is likely the start of a ‘new normal’ at the Commission. Continued review of leadership priorities, resource allocation, and case mix will be critical to understanding the direction of enforcement in the year ahead.

# IX. Data Background

For FY18 through FY24 enforcement action counts and case allegation types, we rely upon the SEC's Division of Enforcement's annual reports. For FY25, we identify enforcement actions from a review of litigation releases, administrative proceedings, and press releases (jointly, "enforcement releases"). Across FY18–FY25, we collect information from the relevant enforcement action releases to determine whether the action involved respondents that are individuals, non-individual entities, or both, and whether the action involved a parallel criminal investigation.

To identify the allegation types for FY25 enforcement actions, we relied on the classification of case types reported by the Division of Enforcement for actions during the FY18–FY24 period. Our validation tests indicate that our classification approach is consistent with the SEC's own classification in over 90% of all instances. Accordingly, the FY25 results on allegation types should be interpreted with caution, as they may not perfectly correspond with the SEC Division of Enforcement's own classification.

## ABOUT THE AUTHORS

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