Press Release

# Overreach at the SEC

PAULINA ENCK | SEPTEMBER 26, 2023

Under Chair Gary Gensler, the Securities and Exchange Commission has promulgated a staggering number of rulemakings to remake much of the financial services sector. In a new insight, Director of Financial Services Policy Thomas Kingsley reviews the SEC's most significant rulemakings under Chair Gensler and considers the ramifications of the actions for the agency itself, the entities it regulates, and the wider economy.

Kingsley concludes:

> The SEC's unprecedented pace of rulemaking risks increased compliance costs, passed to consumers, decreased competition in industry and market activity, and fears of market instability and the withdrawal of investor confidence. Despite these risks, Chair Gensler has used the SEC to embark on the single most transformative agenda seen in the agency's history, reaching into every section of economy and shaking it, seemingly just because he can. A marked lack of regard to the potential costs (or indeed constitutionality) of his rulemakings is one thing, but what truly characterizes Gensler's approach is a poorly articulated need for the existence of these rulemakings at all, or a demonstration of the urgent problems they are designed to address. In short, these rapid-fire "fixes" threaten to break what wasn't broken.

*Read the analysis*