

New SEC Enforcement Director highlights Division priorities

May 14, 2026 | Client Update | 3-minute read

In his first public remarks since becoming Director of the U.S. Securities and Exchange Commission's Division of Enforcement, David Woodcock outlined his enforcement priorities, including issuer accounting and disclosures and private funds.

On May 13, 2026, David Woodcock, the Director of the SEC's Division of Enforcement, made [remarks](#) to the Managed Funds Association Legal & Compliance Conference outlining his guiding principles and areas of focus. The remarks were Woodcock's first as Enforcement Director, a role he assumed earlier this month. Woodcock, who served earlier in his career as Director of the SEC's Forth Worth Regional Office, was named the new Enforcement Director in April.

In his prepared remarks, Director Woodcock stated that he intends "to provide hands-on leadership" to the SEC staff that "allows [them] to focus on the fundamentals" and "ensur[es] the Division remains the global gold standard in securities law enforcement." He echoed SEC Chairman Paul Atkins's criticisms of the prior administration, saying that he intends "to return the enforcement program back to basics," with a focus on "protecting investors and safeguarding markets." Woodcock also addressed the decline in enforcement activity over the last year, noting that he "fully support[s]" the Commission's "deliberate[] shift[] toward an emphasis on quality over quantity." We covered this shift in our recent [client update](#) about the SEC's enforcement results for FY 2025. That said, Woodcock's priorities included two areas of note: public company accounting and disclosure as well as private funds.

Enforcement priorities

Director Woodcock listed several priority areas: "offering frauds, accounting and disclosure fraud, insider trading, market manipulation, fraud by foreign actors targeting U.S. markets and investors, and breaches of fiduciary duties by [investment] advisers misusing client assets."

With respect to public company accounting and disclosure, Director Woodcock said that the Division will be "prioritizing financial reporting matters that are important to ensure good corporate accounting and disclosures." This focus reflects Woodcock's experience—during his prior tenure at the SEC, he served as Chair of the Financial Reporting and Audit Task Force, a Division-wide working group staffed by enforcement attorneys and accountants whose mandate was to identify and investigate public company accounting and disclosure-related misconduct.

Director Woodcock also highlighted the Division's continuing focus on misconduct involving private funds. He indicated that the Division will continue to investigate matters involving undisclosed fees and expenses, conflicts of interest, fraudulent valuations and mismarking, prohibited trading practices, disclosures around fund strategies, safeguarding of client assets, and misappropriation. This is applicable from the adviser level through the distribution chain, and Director Woodcock noted that firms "must ensure their representatives understand the products they sell and the investment profiles, risk tolerance, and liquidity needs of their clients." Woodcock also noted the recent public attention around private credit, stating that "we are monitoring the situation."

Enforcement approach

Director Woodcock stressed that the current SEC “recognizes the difference between error and fraud” and is “not focused on prosecuting firms or individuals for honest mistakes that cause no investor harm.” For those under investigation for such conduct, he invited them to “demonstrate it with evidence and facts.” He also reiterated the SEC’s recent messaging around the benefits of cooperation, noting that a “company that self-reports, cooperates fully and remediates will not be treated the same as one that conceals or obstructs.” Director Woodcock also discussed the need for coordination between and among regulators and law enforcement and noted the SEC would avoid piling on with duplicative enforcement efforts.

Takeaways

Much of Director Woodcock’s remarks echo prior statements in this administration about focusing on fraud that harms investors. Nevertheless, his inclusion of issuer accounting and disclosure, and private fund issues such as valuation, fees, and conflicts, also suggests that the Enforcement Division will continue to focus on potential violations by mainstream market participants. Director Woodcock also signaled an openness to engage with parties under investigation about the appropriate disposition of matters, particularly in cases involving technical errors with no market impact, self-reporting and cooperation, or parallel investigations involving other regulators. We will continue to follow the Division’s case selection and enforcement activity to see how it applies these principles under Director Woodcock’s leadership.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Greg D. Andres

+1 212 450 4724
greg.andres@davispolk.com

Martine M. Beamon

+1 212 450 4262
martine.beamon@davispolk.com

Robert A. Cohen

+1 202 962 7047
robert.cohen@davispolk.com

Daniel S. Kahn

+1 202 962 7140
daniel.kahn@davispolk.com

Neil H. MacBride

+1 202 962 7035
neil.macbride@davispolk.com

Tatiana R. Martins

+1 212 450 4085
tatiana.martins@davispolk.com

Fiona R. Moran

+1 202 962 7137
fiona.moran@davispolk.com

Stefani Johnson Myrick

+1 202 962 7165
stefani.myrick@davispolk.com

Paul J. Nathanson

+1 202 962 7055
+1 212 450 3133
paul.nathanson@davispolk.com

Fuad Rana

+1 202 962 7053
fuad.rana@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.