

SEC enforcement director outlines priorities in first public remarks

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Director Margaret Ryan recently gave a speech describing her “guiding principles” and enforcement priorities. She balanced the need for toughness with a focus on fraud that harms investors, noting that not all non-fraud violations require enforcement action, and those that do are an opportunity for “thoughtful” resolutions.

On February 11, 2026, Judge Margaret Ryan, the Director of the SEC’s Division of Enforcement, gave [remarks](#) to the Los Angeles County Bar Association outlining her guiding principles. These were her first public remarks since becoming Director in September 2025. Grounding her remarks in her experience in the military and as a judge, Judge Ryan emphasized the “fair and judicious use of the formidable power and resources” of the federal government. In this, Judge Ryan echoed the views of [SEC Chairman Paul Atkins](#), who has said that enforcement “must be tempered by fair process, good judgment, integrity, and rectitude.” Judge Ryan made plain her views of the aggressive posture of the prior administration, saying that her role was “to assist Chairman Atkins in righting the ship from some of the excesses of the prior administration.” But Judge Ryan balanced that criticism by saying that “reports that enforcement work at the SEC has been tossed to the wayside are not only greatly exaggerated but flat out wrong.”

Enforcement priorities

Perhaps the most notable part of Judge Ryan’s remarks was her discussion of enforcement priorities. She echoed Chairman Atkins’ prior statements about pursuing enforcement actions involving egregious fraud perpetrated by “liars, cheats and thieves” that causes substantial harm to retail investors. Judge Ryan also discussed other types of fraudulent conduct that “undermines market integrity,” such as accounting fraud, insider trading, and market manipulation. To that end, in recent months, the SEC has announced Enforcement actions against public companies for financial reporting misconduct as well as insider trading by corporate insiders.

Critical to many clients is the approach the current administration will take with non-fraud rule violations. Judge Ryan said the SEC will continue to bring actions involving non-fraud rule violations, calling out public company reporting, books-and-records, and internal accounting control requirements, as well as fiduciary duty and financial responsibility rules applicable to regulated firms.

Yet Judge Ryan also signaled a less aggressive approach than the prior administration, saying that “many violations of these provisions should not—and do not—result in enforcement cases” by the SEC. Judge Ryan further suggested that Enforcement would focus on regulatory violations that are the result of compliance failures that pose broader risks to investors, risks to the integrity of the market, or that result in a benefit to the market participant. Judge Ryan observed that such non-fraud rule violations present an opportunity for the SEC and market participants to “craft thoughtful resolutions ... that recognize wrongdoing while rectifying the violation or charting a firmer path toward compliance.”

Guiding principles and the Wells process

Judge Ryan discussed the values that have guided her career in public service and the importance she places on ensuring “fair process” for market participants. She stressed that under her leadership, the Division was “committed to providing transparent and appropriate process to individuals and to companies under investigation by Enforcement.”

Judge Ryan made several points about the Wells process, which involves a party receiving notice at the end of an investigation of the staff’s intention to recommend an action and being afforded the opportunity to make a submission explaining their views of the case. She noted a change previously announced by Chairman Atkins to give parties at least four weeks to make a submission. In the prior administration, parties often were given only two weeks. Judge Ryan also announced that a member of the “enforcement senior leadership team” will attend every Wells meeting. This suggests a possible shift from the prior administration, where Front Office participation in a Wells meeting could depend on whether the matter presented novel legal or factual questions, or raised significant programmatic issues.

Judge Ryan also cautioned parties and their counsel against delay tactics, referring to “counsels’ incentives, financial or otherwise, to prolong an investigation (and then complain about how long the investigation took).” It is not unusual for a new [Enforcement Director](#) to warn against practices that the government perceives negatively.

Takeaways

Judge Ryan’s first public remarks are a timely guide to the enforcement priorities of the current administration. Like Chairman Atkins, Judge Ryan criticized the aggressive approach by the prior administration and emphasized her plan to focus on fraudulent conduct that harms investors. Judge Ryan also signaled a more balanced—but not hands-off—approach to non-fraud rule violations, indicating that the Division will pursue some but not all such actions and would consider creative resolutions. We will be following closely the Enforcement Division’s case selection to see how it applies these principles in practice.

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