

## Changing of the Guard at the SEC

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The inauguration of President Donald J. Trump on January 20, 2025, will lead to a change in control of the Securities and Exchange Commission (“SEC”). On November 21, 2024, current SEC Chair Gary Gensler announced that he will resign his position at 12:00 p.m. on January 20, 2025. The next day, Commissioner Jaime Lizárraga (D) also announced his intent to step down, effective January 17, 2025. These key departures will leave a 2-1 Republican majority at the SEC at the start of the next administration.

Chair Gensler’s [tenure at the SEC](#) has been an active one, with the agency pursuing a number of initiatives of interest to publicly traded retailers. Under Chair Gensler, the SEC adopted a number of rules regarding corporate governance and reporting, including updating the rules for when corporate insiders [can sell their shares](#), for when executives have to [give back compensation](#) based on erroneously reported financial statements, and for disclosure of executive [pay versus performance](#). The agency also adopted new rules requiring [universal proxy cards](#) in contested director elections. Further, the SEC adopted rules requiring more timely [disclosure](#) by those who are seeking control and buy more than a five percent stake in a public company. Additionally, during Chair Gensler’s tenure, the SEC adopted rules requiring public companies to disclose [material cybersecurity incidents](#) and rules requiring disclosure around [climate](#) risks and liabilities.

On January 20, 2025, a Republican commissioner will be named acting chairman of the agency until [Paul Atkins](#), President-Elect Trump’s nominee for permanent SEC chairman, obtains Senate confirmation. The two sitting Republican commissioners have sometimes expressed skepticism as to the agency’s approach to a number of Chair Gensler’s rulemaking projects. We anticipate the SEC in coming years may revisit some of these rulemaking projects and undertake a different course in pursuing new rules.

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