



United States House of Representatives
One Hundred Nineteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

February 4, 2026

The Honorable Paul Atkins
Chairman
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Dear Chairman Atkins:

As you are aware, the Consolidated Audit Trail (CAT) has long raised significant concerns among Members of Congress, particularly regarding its scope (including the collection of personally identifiable information (PII)), cybersecurity vulnerabilities, and funding. These concerns are shared by investors, broker-dealers, and other market participants, all of whom have expressed ongoing apprehension about the CAT's design and implementation.

We are encouraged by the proactive steps that have already been taken under your leadership to limit the collection of PII,¹ reduce unnecessary costs,² and initiate a comprehensive review of the entire system.³ We recommend that the Securities and Exchange Commission (SEC or Commission) consider codifying a rule enshrining these efforts.

We look forward to the results of the Commission's comprehensive review, which will be instrumental in determining a path forward by evaluating potential alternatives and resolving longstanding challenges. It may be prudent to defer the approval of any new funding model until the comprehensive review is complete and its findings have been shared with Congress. Moving forward with a new model prematurely, particularly in light of the Eleventh Circuit's ruling,⁴ could inadvertently diminish the impact of the review and potentially entrench existing governance and budgetary deficiencies.

We respectfully request that the Commission provide Congress with a timeline for completion of the comprehensive review and periodic briefings on its progress. This will ensure that any subsequent policy decisions are informed by a thorough examination of alternative

¹ Press Release, Sec. & Exch. Comm'n, Exemption From the Requirement to Report Certain Personally Identifiable Information to the Consolidated Audit Trail (Feb. 10, 2025), <https://www.sec.gov/newsroom/press-releases/2025-38>.

² Order Granting Exemptions from Certain Provisions of the National Market System Plan Governing the Consolidated Audit Trail, Exchange Act Release No. 104144 (Sept. 30, 2025), <https://www.sec.gov/files/rules/exorders/2025/34-104144.pdf>.

³ Paul S. Atkins, Chairman, Sec. & Exch. Comm'n, Prepared Remarks Before SEC Speaks (May 19, 2025), <https://www.sec.gov/newsroom/speeches-statements/atkins-prepared-remarks-sec-speaks-051925>.

⁴ *American Sec. Ass'n v. SEC*, No. 23-13396 (11th Cir. July 25, 2025).

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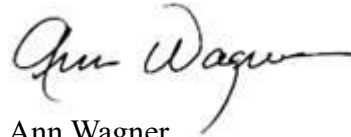
actions, including more limited surveillance approaches, enhancements to existing systems, or other solutions to address regulatory objectives while mitigating privacy and security risks.

Thank you for your attention to this matter.

Sincerely,



French Hill
Chairman



Ann Wagner
Chairman
Subcommittee on Capital Markets



Barry Loudermilk
Member of Congress