



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

January 10, 2024

The Honorable Gary Gensler
Chairman
U.S. Securities and Exchange Commission
100 F Street NE,
Washington, D.C. 20549

Dear Chair Gensler:

The U.S. Securities and Exchange Commission’s (SEC) ability to fulfill its mission—to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation—is directly tied to the Commission’s ability to communicate with market participants. Yesterday, a tweet was posted on the SEC X account stating that the SEC granted the approval of Bitcoin ETFs to be listed on all registered national securities exchanges.¹ As a result, Bitcoin’s value quickly rose, until you clarified that the SEC account was “compromised.”² During those fifteen minutes, the time between the compromised tweet and your announcement of the “hack,” the price of Bitcoin increased to nearly \$48,000.³

According to X’s preliminary investigation, the SEC account did not have two-factor authentication enabled and an unidentified individual obtained control of a phone number associated with the SEC’s account.⁴ This failure is unacceptable, and it is disturbing that your agency could not even meet the standard you require of private industry.

Last year, the SEC adopted a cybersecurity risk management rule requiring companies to disclose within four business days if a “material” cybersecurity incident occurs.⁵ The disclosure must include a description of the nature, scope, and timing of the incident.⁶ Given yesterday’s tweet, we expect the SEC to hold itself to the same requirements that are imposed on companies throughout the country. All market participants deserve transparency from you and your agency.

The Committee has jurisdiction to oversee the activities of the SEC pursuant to Rule X of the Rules of the House of Representatives. To better understand how this breach occurred and

¹ U.S. Securities and Exchange Commission (@SECGov), X, (Jan. 9, 2024, 4:11 PM).

² David Yaffe-Bellany, *A Hack of the S.E.C.’s Social Media Account Caused a Bitcoin Frenzy*, *Briefly*, N.Y. TIMES (Jan. 9, 2024); Gary Gensler (@GaryGensler), X, (Jan. 9, 2024, 4:26 PM), <https://twitter.com/GaryGensler/status/1744833049064288387>.

³ *Id.*

⁴ X Safety (@Safety), X, (Jan. 9, 2024, 10:28 PM), <https://x.com/Safety/status/1744924042681897343?s=20>.

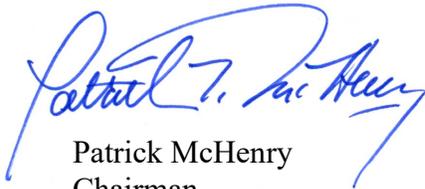
⁵ U.S. Securities and Exchange Comm’n., *Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure*, 88 Fed. Reg. 51,896 (August 4, 2023) (final rule).

⁶ *Id.*

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how the SEC will ensure it cannot happen again, please provide a briefing to Committee staff no later than January 17, 2024. Thank you for your attention to this important matter.

Sincerely,



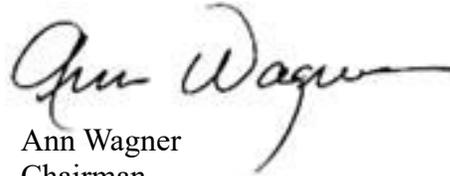
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Chairman



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Chairman
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