

PCAOB Chair Out

Posted in: Accounting and Auditing, PCAOB, SEC

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As many already know, the final version of the 2025 reconciliation package (the One Big Beautiful budget megabill) did not include the Republican proposal (consistent with Project 2025) that would have eliminated the Public Company Accounting Oversight Board (PCAOB)—which oversees the audits of public companies—while transferring its operations and responsibilities to the SEC, after a ruling by the Senate Parliamentarian that the provision was outside the permissible scope of budget reconciliation legislation under the Senate’s rules, thereby preserving the PCAOB’s oversight structure and regulatory functions in their current form.

In a further development, on July 15, 2025, **PCAOB Chair Erica Williams resigned, effective July 22, reportedly at SEC Chair Paul Atkins’s request, signaling a coming shift in the audit regulator’s priorities.** Williams has led the board since 2022 and had four years left of her current term. The SEC—which oversees the board, appointing its five members (who serve five-year staggered terms) and approving its budget—can remove PCAOB board members, including the chair, at will.

In the past, both Republican and Democratic administrations have moved to revamp the board and its agenda after taking office, and Atkins is the third SEC chair in a row to replace the board’s leadership. In 2017, at the start of Trump’s first term, SEC Chair Jay Clayton replaced all five members of the board. Four years later, Biden-era SEC Chair Gary Gensler fired the then-PCAOB chair and asked other board members to reapply for their seats.

In a [statement](#), Williams warned against weakening the board: “With high economic uncertainty increasing the risk of fraud, the PCAOB’s mission is as important as ever,”

she said. “It’s critical the expert PCAOB staff continue to be empowered to carry out their work of ensuring American investors are protected.”

Atkins also issued a **statement** confirming Williams’s departure. His future plans for the board are unclear. Atkins has been a longtime critic of the PCAOB and frequently railed against the board while serving as a Republican commissioner in the 2000s. During his previous stint at the SEC, Atkins pushed to reduce the board’s funding and argued against some of the rules it was imposing on auditors. The SEC’s Republican-led commission could next move to oust some or all of the other board members, slash the board’s budget, trim its staff and/or cut staff members’ pay.

Lynn Turner, a member of the PCAOB’s Investor Advisory Group and a former SEC chief accountant, has been quoted as saying Atkins’s appointment as SEC chair was possibly the worst outcome for the PCAOB, “short of an atomic bomb hitting their building.”

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