

107TH CONGRESS
2D SESSION

H. R. 3736

To amend the Securities Exchange Act of 1934 to require the Securities and Exchange Commission to strengthen the Commission’s auditor independence standards.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2002

Mr. ACKERMAN introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to require the Securities and Exchange Commission to strengthen the Commission’s auditor independence standards.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Financial Accuracy
5 in Reporting Act of 2002”.

6 **SEC. 2. AUDITOR INDEPENDENCE STANDARDS.**

7 (a) AUDITOR INDEPENDENCE.—The Securities and
8 Exchange Commission shall revise the Commission’s audi-
9 tor independence rules (17 C.F.R. 210.2–01) with respect

1 to the performance of non-audit services for an audit client
2 to establish standards that are consistent with, and at
3 least as stringent as, the independence standards with re-
4 spect to the performance of non-audit services for an audit
5 client established in the revisions of the Government Au-
6 diting Standards by the Comptroller General on January
7 25, 2002, for audits for fiscal periods beginning on or
8 after October 1, 2002.

9 (b) DEADLINE.—The Commission shall prescribe the
10 revisions to its regulations to comply with subsection (a)
11 within one year after the date of enactment of this Act.

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