treated as using a principal residence while away from home on qualified official extended duty in determining the exclusion of gain from the sale of such residence.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statures of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. RES. 182

At the request of Mrs. FEINSTEIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

S. CON. RES. 72

At the request of Ms. LANDRIEU, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. Con. Res. 72, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued honoring Martha Matilda Harper, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself and Mr. NELSON of Florida):

S. 1894. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. GRAHAM. Mr. President, the city of Miami is constantly changing. New buildings and facilities are being built daily adding to the cosmopolitan and modern flavor of the city. However, while in the process of building for the future, Miami has found a piece of its past, the Miami Circle.

Discovered in 1998, the Miami Circle is 38 feet in diameter and has been carved into the underlying bedrock. While its true purpose is unknown, it is thought that the circle was used to support different types of structures. Along with the Circle, myriad other ancient artifacts have been found at the site, making it a treasure trove of archaeological artifacts and a window into the history of the area. The true origin of this site has yet to be determined but it is widely believed it was created by the Tequesta Indians.

This piece of Miami's heritage is also part of Florida's as well as the Nation's. It is believed to be the only cut-in-rock prehistoric structural footprint ever found in eastern North America. It is and will be a valuable tool in understanding America's indigenous peoples, their culture, and their technological prowess. In fact, a recent discovery of a Tequesta burial grounds not far from the Miami Circle has made the Miami Circle an even more significant historical site.

For these reasons, the site of the Miami Circle needs to be preserved. This legislation will set the preservation process in motion by authorizing a feasibility study to be conducted to determine if Miami Circle should be preserved as part of Biscayne National Park. This important piece of America's heritage deserves the same protection that other American archaeological treasures enjoy. This study will help make that happen.

By Mr. FITZGERALD:

S. 1895. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Investment Advisers Act of 2002''.

SEC. 2. FINDINGS.

Congress finds that, in the decade preceding the date of enactment of this Act—

(1) events have raised concerns about the independence of the research conducted by investment advisers, particularly those who are affiliated with brokerage houses and investment banking institutions; and

(2) the number of class-action lawsuits alleging conflicts of interest on the part of investment advisers has increased dramatically.

SEC. 3. ENHANCED DISCLOSURES BY INVESTMENT ADVISERS.

The Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) is amended by inserting after section 204A the following:

''PUBLIC DISCLOSURE OF TIES TO ISSUERS

''SEC. 204B. (a) If an investment adviser publishes any analysis or report regarding a company or the securities of a company, the investment adviser shall prominently disclose, in plain language—

''(1) the amount of any fees that the investment adviser, or person associated with the investment adviser, has received from that company during the 3-year period preceding the date of publication;

''(2) any merger or acquisition transaction handled by the investment adviser during the 5-year period preceding the date of publication that involves any debt or equity instruments of that company, including transactions that are concurrent with the publication;

''(3) any personal debt or equity holdings that the investment adviser or person associated with the investment adviser has in the company; and

''(4) the extent to which the investment adviser or person associated with the investment adviser has debt or equity holdings in that company.

''(b) In this section, the term 'publication' has the meaning given that term by regulation of the Commission, and includes—

''(1) any written description of the subject company or the securities of that company by the investment adviser; and

''(2) to the extent practicable—

''(A) any public appearance by the investment adviser or person associated with the investment adviser, such as participation in a seminar or forum regarding the subject company or the securities of that company;

''(B) participation by the investment adviser or person associated with the investment adviser in an interactive electronic discussion group by the investment adviser regarding the subject company or the securities of that company; and

''(C) any radio or television interview of the investment adviser or person associated with the investment adviser regarding the subject company or the securities of that company.''.

(b) COMMISSION REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue final regulations to carry out section 204B of the Investment Advisers Act of 1940, as added by this section.

(c) EFFECTIVE DATE.—Section 204B of the Investment Advisers Act of 1940, as added by this Act, shall become effective on the date of issuance of final regulations under subsection (b).

By Mrs. BOXER:

S. 1896. A bill to prohibit accounting firms from providing management consulting services for the companies they audit and any other non-audit related services that could result in a potential conflict of interest or otherwise impair the independence of the auditor, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. BOXER. Mr. President, today, I am introducing the Auditor Independence Act of 2002. The Act directs the Securities and Exchange Commission, SEC, to issue regulations prohibiting accounting firms from providing management consulting services for the companies they audit and barring accounting firms from providing any

other non-audit related services that could result in a potential conflict of interest.

Using the rule that former SEC Chairman Arthur Levitt proposed in 2000 as a model, my legislation removes the actual conflict of interest as well as the perception of a conflict of interest that results when an auditing firm provides a client with consulting and auditing services.

The scandal resulting from the relationship between Enron and Arthur Andersen is only one example of the overdue need for this reform. In November 2001, Enron disclosed that it had overstated profits by more than $580 million since 1997. That means that Enron lied to investors about its earnings and the Arthur Andersen auditors failed to expose that lie in 1997, 1998, 1999, and 2000. During each of those years, Arthur Andersen worked as both auditor and consultant to Enron.

In 2000 alone, Enron paid Arthur Andersen $27 million for its audit work and paid the firm $28 million in management consulting fees. In auditing Enron, Arthur Andersen clearly made a series of errors. It is reasonable to assume that Arthur Andersen's dependence on the consulting fees that it charged Enron may have affected the quality of their audit work.

But the problem is not limited to Arthur Andersen. In a study analyzing the effects of accounting firms' consulting business on the independence of their auditors, Stanford professor Karen Nelson an her colleagues provide evidence showing that the provision of non-audit services impairs an auditor's independence.

The study used new data that has become available just since February 2001, when the SEC began requiring corporations to disclose all audit and non-audit fees paid by a corporation to its auditor. The study looked at the ratio of non-audit versus audit revenues paid by a corporation to its auditing firm. It found that over half of the firms paid more for consulting services than audit services, and that over 95 percent of firms purchase at least some non-audit services from their auditor.

The study also found that corporations with the least independent auditors, those who paid the most in consulting fees versus audit fees, are more likely to just meet or beat earnings benchmarks, such as analysts' expectations and prior year earnings expectations, and to report large discretionary earnings. This suggests more ''earnings management'', manipulation of debt and earnings data, went on among companies in the sample that paid the highest proportion of management consulting fees to their auditors. We must remove this conflict of interest from the accounting business.

Public confidence in the integrity of an accounting firm's audit will depend now more than ever before on whether auditors are independent from the companies that they audit. Auditors clearly cannot be independent from the companies they audit if they rely on those companies for lucrative consulting fees.

I look forward to working with my colleagues in the Senate to pass this bill quickly as a part of our larger legislative response to the Enron scandal.

By Mrs. CARNAHAN (for herself and Mr. DAYTON):

S. 1897. A bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. CARNAHAN. Mr. President, America has the most vibrant and dynamic economy in the world. The foundation of our economy is our capital markets, which are robust and resilient. But the success of these markets depends on the free flow of accurate, reliable information. Our markets are the envy of the world, because of the confidence investors have in the private and public institutions that produce, verify, and analyze this information.

The collapse of Enron, represents a dramatic failure of these institutions. Even sophisticated investors did not detect that Enron was in was in poor financial condition. We need to create greater transparency and an early warning system so investors can better protect themselves.

One warning sign that a company may be in trouble is when its executives are selling large amounts of company stock, as occurred at Enron. I have learned, however, that information about insider sales of stock is not easily accessible. Under our current system, a company's officers are required to file a disclosure form with the Securities and Exchange Commission, (SEC), any time they sell securities issued by their company. Tens of thousands of these forms are filed annually. However, the vast majority of these forms are filed on paper, rather than electronically.

The paper disclosure forms are not easily accessible to the public. People can see the disclosure forms at the Public Reference Room of the SEC in Washington, DC. Alternatively, people can request in writing that the SEC mail copies of the disclosure forms to them. Requests submitted in writing may take weeks to process. This is unacceptable in the electronic age.

So today I am introducing legislation that requires information about insider sales of publicly traded companies to be filed electronically on the day of the sale. The Fully Informed Investor Act mandates that disclosure forms required by the SEC be filed electronically whenever officers, directors or other affiliates of the company sell shares of their company. The forms will be due at the SEC by the end of the day of the transaction. The SEC would then make the forms available to the public over the Internet. In addition, any company that maintains an internal company website would be required to post these disclosure forms on that website on the day of the transaction.

This single reform would dramatically level the playing field between insiders and ordinary investors. Never again would company executives be able to quietly dump large amounts of company stock without facing immediate scrutiny about the financial health of their company.

As I said, our capital markets are the envy of the world. To continue to be worthy of that envy, we need to constantly improve and modernize our system. The Fully Informed Investor Act is an important aspect of that modernization.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 201—COMMENDING THE UNIVERSITY OF MIAMI HURRICANES FOOTBALL TEAM FOR WINNING THE 2001 NCAA DIVISION I–A COLLEGIATE FOOTBALL NATIONAL CHAMPIONSHIP

Mr. NELSON of Florida (for himself and Mr. GRAHAM) submitted the following resolution; which was considered and agreed to:

S. Res. 201

Whereas in 2001 the University of Miami captured its fifth national title;

Whereas the University of Miami is a member of the Big East Conference of the National Collegiate Athletic Association Division I–A and the Conference's champion for the second consecutive year;

Whereas the University of Miami's 23-1 record since the year 2000 is the best in Division I–A football;

Whereas in 2001 Head Coach Larry Coker won the Bear Bryant Award naming him college football Coach of the Year in his first season;

Whereas after leading the Hurricanes to the national championship in 2001, Larry Coker became the first rookie coach to win a national championship since 1948;

Whereas Edward Reed and Bryant McKinnie were elected Consensus All-Americans;

Whereas offensive tackle Bryant McKinnie won the Outland Trophy, awarded to the Nation's best collegiate interior lineman;

Whereas offensive tackle Joaquin Gonzalez was named the 2001 Vincent dePaul Draddy Award winner as the Nation's top college football scholar-athlete, becoming the Big East Conference's first winner of the ''Academic Heisman'';

Whereas quarterback Ken Dorsey won the Maxwell Award, presented each year to the College Player of the Year;

Whereas defensive back Edward Reed was named to numerous All-American teams, leading the Nation with 9 interceptions;

Whereas each player, coach, trainer, and manager dedicated their time and effort to ensuring the Hurricanes reached the pinnacle of team achievement;

Whereas the students, alumni, faculty, and supporters of the University of Miami are to be congratulated for their commitment and pride in the Hurricanes' football program; and