

107<sup>TH</sup> CONGRESS  
2<sup>D</sup> 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.

○