

MALONEY/
GARRETT 012

AMENDMENT TO THE DISCUSSION DRAFT OF OCTOBER 1, 2009 [INVESTOR PROTECTION ACT OF 2009]

OFFERED BY Mrs. Maloney and Mr. Garrett

Page 86, after line 16, insert the following new section:

1 SEC. 414. STUDY ON INTERNAL CONTROL EVALUATION AND
2 REPORTING COST BURDENS ON SMALLER
3 ISSUERS.

4 (a) STUDY REQUIRED.—The Government Account-
5 ability Office and the Securities and Exchange Commis-
6 sion shall each conduct a study evaluating the costs and
7 benefits of complying with section 404(b) of the Sarbanes-
8 Oxley Act of 2002 (15 U.S.C. § 7262(b)) on issuers who
9 are not accelerated or large accelerated filers as defined
10 by Commission Rule 12b-2. The study shall—

11 (1) include recommendations, administrative re-
12 forms, and legislative proposals on implementation
13 steps that could be taken to reduce compliance bur-
14 dens on these issuers; and

15 (2) determine the efficacy of the Securities and
16 Exchange Commission’s measures to limit the cost
17 of compliance on smaller issuers.

1 (b) REPORTS REQUIRED.—On or before June 1,
2 2010, the Government Accountability Office and the Secu-
3 rities and Exchange Commission shall submit separate re-
4 ports to Congress containing the findings and conclusions
5 of the studies required under subsection (a), together with
6 such recommendations for regulatory, legislative, or ad-
7 ministrative action as may be appropriate.

8 (c) EFFECTIVE DATE CONTINGENT ON REPORTS.—
9 Requirements under section 404(b) of the Sarbanes-Oxley
10 Act of 2002 on issuers described under subsection (a) shall
11 not become effective until the results of the report are de-
12 livered, but in no case before June 1, 2011.

