

GARRETT/ADLER

AMENDMENT TO H.R. III 3817
OFFERED BY MR. GARRET AND Mr. Adler

[amendment to IPA discussion draft of October 1, 2009

At the end of the bill insert the following:

SEC. 606. EXEMPTION FOR NON-ACCELERATED FILERS.

Section 404 of the Sarbanes-Oxley Act is amended by adding at the end the following:

“(c) EXEMPTION FOR SMALLER ISSUERS.—Subsection (b) shall not apply with respect to any audit report prepared for an issuer that is not an accelerated filer within the meaning Rule 12b–2 of the Commission (17 C.F.R. 7 240.12b–2).”.

(b) STUDY.—The Securities and Exchange Commission and the Comptroller General shall jointly conduct a study to determine how the Commission could reduce the burden of complying with section 404(b) of the Sarbanes-Oxley Act for companies whose market capitalization is between \$75,000,000 and \$250,000,000 for the relevant reporting period while maintaining investor protections for such companies. The study shall also consider whether any such methods of reducing the compliance burden or a complete exemption for such companies from compliance with such section would encourage companies to list on exchanges in the United States in their initial public offerings. Not later than 180 days after the date of the enactment of this Act, the Commission and the Comptroller General shall transmit a report of such study to Congress.