

**AMENDMENT TO H.R. 2179
OFFERED BY MR. SHERMAN**

Page 26, after line 6, insert the following:

1 **SEC. 9. ENHANCED OVERSIGHT OF PERIODIC DISCLO-**
2 **SURES BY ISSUEERS.**

3 (a) THOROUGH REVIEW OF LARGEST COMPANIES.—

4 Within 1 year after the date of enactment of this Act, the
5 Securities and Exchange Commission—

6 (1) shall conduct a thorough review of the fi-
7 nancial statements contained in the most recent
8 periodic disclosures filed with the Commission by the
9 largest ²⁵⁰ ~~1,000~~ reporting issuers, and as many other
10 reporting issuers as the Commission finds appro-
11 priate;

12 (2) shall query such issuers with respect to any
13 confusing, ambiguous, or unclear statement in such
14 disclosures that would be of interest to investors;

15 (3) shall require such issuers to respond fully to
16 such queries, by such deadlines as the Commission
17 may impose, and to clarify such statements as nec-
18 essary for the protection of investors; and

19 (4) may require the issuer's response to be ac-
20 companied by an auditor's opinion as to—



1 (A) whether that response sets forth the
2 information presented in accordance with gen-
3 erally accepted accounting principles, and

4 (B) whether the auditor reached that con-
5 clusion after applying generally accepted audit-
6 ing standards to the information presented in
7 the response.

8 ~~(b) PUBLIC DOCUMENTS.—All documents filed with~~
9 ~~the Commission pursuant to subsection (a) shall be avail-~~
10 ~~able to the public in accordance with section 24 of the~~
11 ~~Securities Exchange Act of 1934 (15 U.S.C. 78x).~~

