

[COMMITTEE PRINT]

MARCH 20, 2003

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 658**

**ADOPTED BY THE SUBCOMMITTEE ON CAPITAL
MARKETS, INSURANCE, AND GOVERNMENT
SPONSORED ENTERPRISES**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Accountant, Compli-
3 ance, and Enforcement Staffing Act of 2003”.

4 **SEC. 2. ACCOUNTANTS, ECONOMISTS, AND EXAMINERS AP-
5 POINTMENTS.**

6 Section 4(b) of the Securities Exchange Act of 1934
7 (15 U.S.C. 78d(b)) is amended—

8 (1) by redesignating paragraph (3) as para-
9 graph (4); and

10 (2) by inserting after paragraph (2) the fol-
11 lowing new paragraph:

12 “(3) ACCOUNTANTS, ECONOMISTS, AND COMPLI-
13 ANCE EXAMINERS APPOINTMENTS.—

14 “(A) APPOINTMENT AUTHORITY.—



1 “(i) This subparagraph applies with
2 respect to any position of accountant,
3 economist, and securities compliance exam-
4 iner at the Commission that is in the com-
5 petitive service.

6 “(ii) The Commission may appoint
7 candidates to any position described in
8 clause (i) in accordance with the statutes,
9 rules, and regulations governing appoint-
10 ments in the excepted service, and notwith-
11 standing any statutes, rules, and regula-
12 tions governing appointments in the com-
13 petitive service.

14 “(iii) The appointment of a candidate
15 to a position under authority of this sub-
16 paragraph shall not be considered to cause
17 such position to be converted from the
18 competitive service to the excepted service.

19 “(iv) For purposes of this subpara-
20 graph, the terms ‘competitive service’ and
21 ‘excepted service’ have the respective
22 meanings given them under chapter 21 of
23 title 5, United States Code.

24 “(B) REPORTS.—No later than 90 days
25 after the end of fiscal year 2003 (for fiscal year



1 2003) and 90 days after the end of fiscal year
2 2005 (for fiscal years 2004 and 2005), the
3 Commission shall submit a report with respect
4 to its exercise of the authority granted by sub-
5 paragraph (A) during such fiscal years to the
6 Committee on Financial Services of the House
7 of Representatives and the Committee on Bank-
8 ing, Housing, and Urban Affairs of the Senate.
9 Such reports shall describe the changes in the
10 hiring process authorized by such subpara-
11 graph, including relevant information related
12 to—

13 “(i) the quality of candidates;

14 “(ii) the procedures used by the Com-
15 mission to select candidates through the
16 streamlined hiring process;

17 “(iii) the numbers, types, and grades
18 of employees hired under the authority;

19 “(iv) any benefits or shortcomings as-
20 sociated with the use of the authority;

21 “(v) the effect of the exercise of the
22 authority on the hiring of veterans and
23 other demographic groups; and



1 “(vi) the way in which managers were
2 trained in the administration of the
3 streamlined hiring system.”.

