

S 2056

Integrity in Auditing Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Mar 21, 2002

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Mar 21, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/senate-bill/2056>

Sponsor

Name: Sen. Nelson, Bill [D-FL]

Party: Democratic • State: FL • Chamber: Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Carnahan, Jean [D-MO]	D · MO		Mar 21, 2002

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Mar 21, 2002

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Integrity in Auditing Act of 2002 - Amends the Securities Exchange Act of 1934 to prohibit an independent public accountant from providing: (1) management consulting or any other non-audit-related services during the same calendar year in which it provides auditing services; (2) any service that could either result in a potential conflict of interest, or impair auditor independence; or (3) auditing or related services for an issuer for more than seven consecutive years.

Bars an independent public accountant from employment in a management or other policymaking position for an issuer for whom that accountant (or affiliated person) has provided auditing services during the one-year period preceding the date of employment. Permits the performance, however, of tax consulting services contemporaneously with any auditing or related service.

Directs the Securities and Exchange Commission to require: (1) issuer disclosure of the nature, extent, and duration of interrelationships between the issuer and the board of directors, senior officers of the corporation, and immediate family members; and (2) the audit committee and compensation committee of an issuer to consist solely of independent directors.

Expresses the sense of the Senate that: (1) tough enforcement, including criminal prosecution whenever possible, is the most effective deterrent to fraudulent activity; and (2) the Commission should take a firm, swift approach to wrongdoers.

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### **Actions Timeline**

- **Mar 21, 2002:** Introduced in Senate
- **Mar 21, 2002:** Sponsor introductory remarks on measure. (CR S2281-2282)
- **Mar 21, 2002:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.