

S 2247

Truth in Auditing Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Apr 24, 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. (Apr 24, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/senate-bill/2247>

Sponsor

Name: Sen. Durbin, Richard J. [D-IL]

Party: Democratic • **State:** IL • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Apr 24, 2002

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Summary (as of Apr 24, 2002)

Truth in Auditing Act of 2002 - Instructs the Securities and Exchange Commission (SEC) to designate an Independent Public Accounting Oversight Board (Board) as a private, self-regulatory entity, subject to SEC oversight, and which shall not be a Federal agency or instrumentality. Limits certified public accountant membership on such Board to two out of the five members.

Identifies Board duties as : (1) the establishment and enforcement of auditor quality control, independence, and auditing standards; and (2) the conduct of a continuing program of inspections to assess compliance with this Act by each registered public accounting firm.

Grants the SEC general oversight and enforcement authority over the Board, including abrogation and amendatory authority over any Board rule or disciplinary action. Mandates prior SEC approval of any Board ruling.

Empowers the SEC to censure the Board, impose sanctions upon it and to rescind its authority, as well as remove Board members.

Mandates registration of public accounting firms with the Board.

Prescribes auditor independence rules. Prescribes guidelines for Board investigations and disciplinary proceedings, including assessment of civil money penalties.

Places foreign public accounting firms within the purview of this Act.

Requires certain corporate officers to certify and sign the periodic financial statements filed under this Act and transmitted to shareholders.

Actions Timeline

- **Apr 24, 2002:** Introduced in Senate
- **Apr 24, 2002:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.