

HR 3617

Accountability for Accountants Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Jan 23, 2002

Current Status: Referred to the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises.

Latest Action: Referred to the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises.
(Feb 11, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/house-bill/3617>

Sponsor

Name: Rep. Markey, Edward J. [D-MA-7]

Party: Democratic • State: MA • Chamber: Senate

Cosponsors (13 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Doggett, Lloyd [D-TX-10]	D · TX		Feb 26, 2002
Rep. Hinchey, Maurice D. [D-NY-26]	D · NY		Feb 26, 2002
Rep. Kaptur, Marcy [D-OH-9]	D · OH		Feb 26, 2002
Rep. Lynch, Stephen F. [D-MA-9]	D · MA		Feb 26, 2002
Rep. Pascrell, Bill, Jr. [D-NJ-8]	D · NJ		Feb 26, 2002
Rep. Stupak, Bart [D-MI-1]	D · MI		Feb 26, 2002
Rep. Baca, Joe [D-CA-42]	D · CA		Feb 28, 2002
Rep. Filner, Bob [D-CA-50]	D · CA		Mar 7, 2002
Rep. Dingell, John D. [D-MI-16]	D · MI		Mar 12, 2002
Rep. Farr, Sam [D-CA-17]	D · CA		Mar 12, 2002
Rep. Lee, Barbara [D-CA-9]	D · CA		Apr 11, 2002
Rep. Taylor, Gene [D-MS-5]	D · MS		Jul 23, 2002
Rep. DeLauro, Rosa L. [D-CT-3]	D · CT		Oct 3, 2002

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred to	Feb 11, 2002

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Accountability for Accountants Act of 2002 - Amends the Securities Exchange Act of 1934 to extend joint and several liability to an auditor of financial statements: (1) who has been found by a jury to have failed to detect and report illegal acts of the issuer of securities that are the subject of a class action; (2) who has performed non-audit functions for such issuer during the time within which an alleged violation of securities occurred; or (3) the issuer of such securities is insolvent.

Declares stay of discovery procedures inapplicable in any private action against such auditor.

Amends the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to extend liability to persons who aid or abet violations of such Act.

Amends the Securities Exchange Act of 1934 to mandate maintenance of audit records of an issuer of securities and to impose criminal sanctions for non-compliance.

Requires an accountant/auditor of a securities issuer to report to the Securities and Exchange Commission on its decision to: (1) divest itself of interests in non-audit businesses in light of the inherent potential conflicts of interest in providing both audit and non-audit services to an issuer; or (2) cease providing non-audit services to companies whose financial statements it audits.

Mandates preservation of records during shareholder litigation.

Actions Timeline

- **Feb 11, 2002:** Referred to the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises.
- **Jan 23, 2002:** Introduced in House
- **Jan 23, 2002:** Introduced in House
- **Jan 23, 2002:** Referred to the House Committee on Financial Services.