

[DISCUSSION DRAFT]

112TH CONGRESS
1ST SESSION

H. R. _____

To amend the Sarbanes-Oxley Act of 2002 to provide additional exemptions from the internal control auditing requirements for smaller and newer public companies.

IN THE HOUSE OF REPRESENTATIVES

Mr. FINCHER introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Sarbanes-Oxley Act of 2002 to provide additional exemptions from the internal control auditing requirements for smaller and newer public companies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Company Job
5 Growth and Regulatory Relief Act of 2011”.

1 **SEC. 2. EXEMPTION FROM AUDIT REQUIREMENT FOR**
2 **SMALLER ISSUERS.**

3 Section 404(c) of the Sarbanes-Oxley Act of 2002 is
4 amended to read as follows:

5 “(c) EXEMPTION FOR SMALLER ISSUERS.—Sub-
6 section (b) shall not apply with respect to any report re-
7 quired under subsection (a) of an issuer that has a total
8 market capitalization for the relevant reporting period of
9 less than \$500,000,000.

10 “(d) ADDITIONAL EXEMPTION.—With respect to an
11 issuer that has a total market capitalization for the rel-
12 evant reporting period of greater than \$500,000,000 but
13 less than \$1,000,000,000, subsection (b) shall not apply
14 to—

15 “(1) reports filed pursuant to subsection (a) for
16 the first 5 years following the registration of securi-
17 ties of an issuer that first registers its securities
18 after the date of enactment of the Small Company
19 Job Growth and Regulatory Relief Act of 2011; or

20 “(2) any report filed pursuant to subsection (a)
21 by an issuer that has opted-out of complying with
22 subsection (b), by consent of its shareholders by ma-
23 jority vote.

24 “(e) RULE OF CONSTRUCTION.—Nothing in the ex-
25 emptions provided for in subsections (c) and (d) shall be
26 construed to relieve or exempt any issuer from the require-

1 ments for internal control reporting and assessment under
2 subsection (a) or the requirement that officers of the
3 issuer certify each annual and quarterly report pursuant
4 to section 302.”.