

each issuer in a particular class, as applicable) in an amount equal to the total of such amount, multiplied by a fraction—

(A) the numerator of which is the average monthly equity market capitalization of the issuer for the 12-month period immediately preceding the beginning of the fiscal year to which such budget relates; and

(B) the denominator of which is the average monthly equity market capitalization of all such issuers for such 12-month period.

**SA 4180.** Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On page 70, strike lines 1 through 19, and insert the following:

“(9) the opining on a financial statement with respect to the proper financial statement results of—

“(A) any listed transaction, or

“(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax,

but only if the registered public accounting firm (or any such associated person of such firm) has directly or indirectly provided any material aid, assistance, or advice with respect to the organizing, promoting, selling, implementing, or carrying out of such listed or reportable transaction, and

“(10) any other service that the Board determines, by regulation, is impermissible.

“(h) RULES AND DEFINITIONS RELATING TO NON-AUDIT SERVICES.—

“(1) PREAPPROVAL REQUIRED FOR NON-AUDIT SERVICES.—A registered public accounting firm may engage in any non-audit service, including tax services, that is not described in any of paragraphs (1) through (10) of subsection (g) for an audit client, only if the activity is approved in advance by the audit committee of the issuer, in accordance with subsection (i).

“(2) REPORTABLE AND LISTED TRANSACTIONS.—For purposes of subsection (g)(9)—

“(A) REPORTABLE TRANSACTION.—The term ‘reportable transaction’ means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011 of the Internal Revenue Code of 1986, such transaction is of a type which the Secretary of the Treasury determines as having a potential for tax avoidance or evasion.

“(B) LISTED TRANSACTION.—Except as provided in regulations, the term ‘listed transaction’ means a reportable transaction which is the same as, or similar to, a transaction specifically identified by the Secretary of the Treasury as a tax avoidance transaction for purposes of section 6011 of such Code.”.

(b) EXEMPTION AUTHORITY.—The Board may, on a case by case basis, exempt any person, issuer, public accounting firm, or

transaction from the prohibition on the provision of services under section 10A(g) of the Securities Exchange Act of 1934 (as added by this section), to the extent that such exemption is necessary or appropriate in the public interest and is consistent with the protection of investors, and subject to review by the Commission in the same manner as for rules of the Board under section 107. This subsection shall not apply to services described in paragraph (9) of such section 10A(g).

**SA 4181.** Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . . BANKRUPTCY PROVISIONS.**

(a) PREFERENCES.—Section 547 of title 11, United States Code, is amended by adding at the end the following:

“(h) A trustee may avoid any transfer made within 1 year before the date of the filing of the petition that was made to an insider, officer, or director for any bonuses, loans, nonqualified deferred compensation, or other extraordinary or excessive compensation as determined by the court.”.

(b) FRAUDULENT TRANSFERS AND OBLIGATIONS.—Section 548(a) of title 11, United States Code, is amended by adding at the end the following:

“(3) The trustee may avoid any transfer of an interest of the debtor in property, or any obligation incurred by the debtor, including any bonuses, loans, nonqualified deferred compensation, or other extraordinary or excessive compensation as determined by the court, paid to any officer, director, or employee of an issuer of securities (as defined in section 2(a) of the Public Company Accounting Reform and Investor Protection Act of 2002), if—

“(A) that transfer of interest or obligation was made or incurred on or within 4 years before the date of the filing of the petition; and

“(B) the officer, director, or employee was directly or indirectly responsible for—

“(i) any violation of the Federal securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934), State securities laws, or any regulation or order issued under Federal or State securities laws;

“(ii) fraud, deceit, or manipulation in a fiduciary capacity or in connection with the purchase or sale of any security registered under section 12 or 15(d) of the Securities Exchange Act of 1934 or under section 6 of the Securities Act of 1933; or

“(iii) improper, illegal, or deceptive accounting practices.”.

**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON ENVIRONMENTAL AND PUBLIC WORKS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Tuesday, July 9, 2002, at 2:30 p.m. to conduct a hearing to receive testimony on Sections 2015, 2016, 2017(a) and (b), 2018 and 2019 of S. 2225, the National Defense Authorization Act for Fiscal Year 2003.

The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON FOREIGN RELATIONS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 9, 2002 at 10:30 a.m. to hold a hearing on the Moscow Treaty.

**Agenda**

Witness: The Honorable Colin L. Powell, Secretary of State, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON FOREIGN RELATIONS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 9, 2002 at 2:30 p.m. to hold a nomination hearing.

**Agenda**

Nominees: Mr. John Blaney, of Virginia, to be Ambassador to the Republic of Liberia; Ms. Aurelia Brazeal, of Georgia, to be Ambassador to the Federal Democratic Republic of Ethiopia; Mr. Martin Brennan, of California, to be Ambassador to the Republic of Zambia; Mr. J. Anthony Holmes, of California, to be Ambassador to Burkina Faso; Ms. Vicki Huddleston, of Arizona, to be Ambassador to the Republic of Mali; Mr. Donald Johnson, of Texas, to be Ambassador to the Republic of Cape Verde; Mr. Jimmy Kolker, of Missouri, to be Ambassador to the Republic of Uganda; Ms. Gail Mathieu, of New Jersey, to be Ambassador to the Republic of Niger; Mr. Richard Roth, of Michigan, to be Ambassador to the Republic of Senegal; and to serve concurrently and without additional compensation as Ambassador to the Republic of Guinea-Bissau; and Mr. James Yellin, of Pennsylvania, to be Ambassador to the Republic of Burundi.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON HEALTH, EDUCATION, AND PUBLIC WORKS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on The Nomination of Dr. Richard H. Carmona, of Arizona to be Surgeon General of the Public Health Service during the session of the Senate on Tuesday, July 9, 2002 at 10 a.m. in SD-430.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR,  
AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on The President's Commission on Excellence in Special Education during the session of the Senate on Tuesday, July 9, 2002 at 2:30 p.m. in SD-430.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. REID. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet on Tuesday, July 9, 2002 from 2:30 p.m.—5 p.m. in Dirksen 562 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM,  
AND GOVERNMENT INFORMATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on "Identity Theft Penalty Enhancement Act of 2002" on Tuesday, July 9, 2002, at 2:30 p.m. in Room 226 of the Dirksen Senate Office Building.

Agenda

Witnesses Dan Collins, Deputy Associate Attorney General, Department of Justice, Washington, DC; Howard Beales, Director, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC; and Dennis Lormel, Section Chief, Terrorism Financial Review Group, Federal Bureau of Investigation, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent floor privileges be extended to Karen Wayland, a legislative fellow in the Office of Senator REID of Nevada.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—  
H.R. 3009

Mr. REID. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House with respect to H.R. 3009, the Andean Trade Act; that the Senate disagree to the House amendment, agree to the request for a conference with the House on the disagreeing votes of the two Houses; and that the Chair be authorized to appoint conferees on the part of the Senate, with the ratio being three Democrats, two Republicans.

The PRESIDING OFFICER. Is there objection?

Mr. ENZI. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. REID. Mr. President, I am very disappointed. This is a matter that the President has talked about needing to move forward. I assume the objection is on the number of Senators in the conference. If this legislation is important, I would hope the President would weigh in and say let's get it done no matter what the ratio.

HONORING TED WILLIAMS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 302 submitted earlier today by Senators KERRY and KENNEDY.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 302) honoring Ted Williams and extending the condolences of the Senate on his death.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I think all of us my age and a little younger, and, of course, a little older, remember this great baseball player. Think how good he would have been had he not served his country in the U.S. military for 5 years. He did that during the prime of his baseball career. He served valiantly, as reported by John Glenn. I think a lot of us have seen John Glenn talking about the person who flew combat with him in Korea.

I ask unanimous consent that the resolution submitted by Senators KERRY and KENNEDY and the preamble be agreed to en bloc and the motion to reconsider be laid upon the table, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 302) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 302

Whereas Theodore Samuel Williams served the Nation with honor and distinction as a Naval Aviator during World War II and as a Marine fighter pilot during the Korean War;

Whereas Ted Williams, during his service in the Marines during the Korean War, flew on 39 combat missions and earned an Air Medal and 2 Gold Stars;

Whereas Ted Williams became the greatest hitter in baseball history while playing with the Boston Red Sox from 1939-1960;

Whereas Ted Williams, during his career with the Boston Red Sox, even after losing 5 years to military service, had 2654 total hits, 521 home runs, and a lifetime batting average of .344;

Whereas as a member of the Boston Red Sox, Ted Williams hit for an average of .406 in 1941 and was the last major league baseball player to hit for an average above .400;

Whereas as a member of the Boston Red Sox, Ted Williams led the American League in batting 6 times, in slugging percentage 9 times, in total bases 6 times, and in runs scored 6 times;

Whereas as a member of the Boston Red Sox, Ted Williams won 2 Triple Crowns, was twice named the Most Valuable Player of the American League, and was chosen as an American League All-Star 16 times;

Whereas Ted Williams was elected to the Baseball Hall of Fame in 1966; and

Whereas Ted Williams provided invaluable assistance to the Commonwealth of Massachusetts through his efforts on behalf of and in support for the Jimmy Fund in order to help eradicate cancer in children: Now, therefore, be it

Resolved, That the Senate—

(1) honors the achievements of Ted Williams;

(2) expresses its deepest sympathies and condolences to the family of Ted Williams on his passing; and

(3) directs the Secretary of the Senate to transmit an enrolled copy of this resolution to the family of Ted Williams.

BENJAMIN FRANKLIN  
TERCENTENARY COMMISSION

Mr. REID. I ask unanimous consent the Senate proceed to Calendar No. 309, H.R. 2362.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2362) to establish the Benjamin Franklin Tercentenary Commission.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I ask unanimous consent the bill be read three times, passed, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD at the appropriate place, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2362) was read for the third time and passed.

ORDERS FOR WEDNESDAY, JULY  
10, 2002

Mr. REID. I ask unanimous consent when the Senate completes its business tonight, it adjourn until 9:30 tomorrow morning, Wednesday, July 10; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 10:30 a.m., with Senators permitted to speak for up to 10 minutes each, with the first half of the time under the control of the majority leader or his designee, and the second half of the time under the control of the Republican leader or his designee; that at 10:30 a.m. the Senate resume consideration of the accounting reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 9:30 A.M.  
TOMORROW

Mr. REID. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:38 p.m., adjourned until Wednesday, July 10, 2002, at 9:30 a.m.