

118TH CONGRESS
1ST SESSION

H. R. 6726

To amend the Securities Act of 1933 to require the accounting principles standard setting body to comply with the Administrative Procedure Act and the Government in the Sunshine Act, to require the head of such body to testify annually before Congress, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2023

Mr. LUETKEMEYER introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Act of 1933 to require the accounting principles standard setting body to comply with the Administrative Procedure Act and the Government in the Sunshine Act, to require the head of such body to testify annually before Congress, and for other purposes.

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 “Responsible Account-
5 ing Standards Act of 2023”.

1 **SEC. 2. ACCOUNTING PRINCIPLES STANDARD SETTING**
2 **BODY REFORMS.**

3 (a) ADMINISTRATIVE PROCEDURES FOR ADOPTION
4 OF ACCOUNTING PRINCIPLES.—Section 19(b) of the Secu-
5 rities Act of 1933 (15 U.S.C. 77s(b)) is amended by add-
6 ing at the end the following:

7 “(3) ADMINISTRATIVE PROCEDURES FOR ADOP-
8 TION OF ACCOUNTING PRINCIPLES.—When adopting
9 an accounting principle, the standard setting body
10 described in paragraph (1) shall—

11 “(A) follow procedures that are as close as
12 practicable to those requirements for a Federal
13 agency issuing a rule under chapter 5 of title
14 5, United States Code (commonly referred to as
15 the ‘Administrative Procedure Act’); and

16 “(B) carry out the cost benefit analysis de-
17 scribed under section 6(a)(3)(C) of Executive
18 Order 12866 for a significant regulatory action,
19 to the extent the requirements for such analysis
20 relate to the efficient functioning of the econ-
21 omy and private markets, and the cost of busi-
22 nesses complying with the action.”.

23 (b) OPEN MEETING REQUIREMENT.—Section 19(b)
24 of the Securities Act of 1933 (15 U.S.C. 77s(b)), as
25 amended by subsection (a), is further amended by adding
26 at the end the following:

1 “(4) OPEN MEETING REQUIREMENT.—The re-
2 quirements under section 552b of title 5, United
3 States Code (commonly referred to as the ‘Govern-
4 ment in the Sunshine Act’) shall apply to a standard
5 setting body described in paragraph (1) to the same
6 extent as such requirements apply to an agency.”.

7 (c) TESTIMONY BY THE HEAD OF THE STANDARD
8 SETTING BODY.—Section 19(b) of the Securities Act of
9 1933 (15 U.S.C. 77s(b)), as amended by subsection (b),
10 is further amended by adding at the end the following:

11 “(5) CONGRESSIONAL TESTIMONY.—The head
12 of each standard setting body described in para-
13 graph (1) shall annually testify before the Com-
14 mittee on Financial Services of the House of Rep-
15 resentatives and the Committee on Banking, Hous-
16 ing, and Urban Affairs of the Senate.”.

17 (d) REPORT ON IMPLEMENTATION.—Not later than
18 the end of the 3-month period beginning on the date of
19 enactment of this Act, the Chief Accountant of the Securi-
20 ties and Exchange Commission, in consultation with the
21 standard setting body described under section 19(b)(1) of
22 the Securities Act of 1933, shall issue a report to the Con-
23 gress describing the steps taken by the standard setting

4

- 1 body to implement the requirements in the amendments
- 2 made by this section.

○