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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R.

To amend the Securities Act of 1933 to require the Securities and Exchange Commission to issue a rule to apply the Administrative Procedure Act to the adoption of accounting principles by the standard setting body, and to require the standard setting body to consider, in adopting accounting principles, the impact such principles will have on the broader U.S. economy, market stability, and availability of credit.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend the Securities Act of 1933 to require the Securities and Exchange Commission to issue a rule to apply the Administrative Procedure Act to the adoption of accounting principles by the standard setting body, and to require the standard setting body to consider, in adopting accounting principles, the impact such principles will have on the broader U.S. economy, market stability, and availability of credit.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Responsible Account-
3 ing Standards Act of 2019”.

4 **SEC. 2. ADMINISTRATIVE PROCEDURES FOR ADOPTION OF**
5 **ACCOUNTING PRINCIPLES.**

6 Section 19(b) of the Securities Act of 1933 (15
7 U.S.C. 77s(b)) is amended by adding at the end the fol-
8 lowing:

9 “(3) ADMINISTRATIVE PROCEDURES FOR ADOP-
10 TION OF ACCOUNTING PRINCIPLES.—The Commis-
11 sion shall issue a rule requiring a standard setting
12 body described in paragraph (1) to follow procedures
13 when adopting an accounting principle that are as
14 close as practicable to those requirements for a Fed-
15 eral agency issuing a rule under chapter 5 of title
16 5, United States Code (commonly referred to as the
17 ‘Administrative Procedure Act’).”.

18 **SEC. 2. CONSIDERATION OF THE IMPACT OF ACCOUNTING**
19 **PRINCIPLES ON THE BROADER U.S. ECON-**
20 **OMY, MARKET STABILITY, AND AVAILABILITY**
21 **OF CREDIT.**

22 (a) IN GENERAL.—Section 19(b)(1)(A)(v) of the Se-
23 curities Act of 1933 (15 U.S.C. 77s(b)) is amended by
24 inserting after “investors” the following: “, and the impact
25 such accounting principles will have on the broader U.S.

1 economy, market stability, and availability of credit (par-
2 ticularly for low-and moderate-income borrowers)”.

3 (b) REPORT.—Not later than the end of the 6-month
4 period beginning on the date of enactment of this Act, any
5 standard setting body described in section 19(b)(1) of the
6 Securities Act of 1933 shall issue a report to the Securi-
7 ties and Exchange Commission and the Congress con-
8 taining a list of changes the standard setting body has
9 made or will make in order to ensure that the standard
10 setting body takes into consideration the impact of ac-
11 counting principles on the broader U.S. economy, market
12 stability, and availability of credit, as required by the
13 amendment made under subsection (a).