

■ Public Company Financial Executive Briefing ■

KEY LEGISLATOR BARNEY FRANK EXPECTS HOUSE TO PASS 404b (SOX) DELAY FOR SMALL PUBLIC COMPANIES

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Last week, House Financial Services Committee Chairman Barney Frank, D-Mass., said that he expects an exemption for small and midsized public companies from Sarbanes-Oxley Section 404b requirements for independent audits of their internal controls to remain in the final version of the financial regulatory reform bill.

The House bill contained an amendment

exempting public companies with market capitalizations of under \$75 million from the audits, but the Senate version was passed before it could be debated. Up until now, the SEC has delayed the requirement for small issuers to have outside audits of management's assessments of internal controls. Nearly a year in the making, the SEC said last October that the requirement would take effect in nine month's time.

Barney's recent statement acknowledged that the provision was likely to be in the final bill that would be issued by the House-Senate conference committee. To read more, go to [Dow Jones Newswire](#).

If you have any questions about how this impacts you or your company, please contact us.

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