

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 658  
OFFERED BY MR. BAKER**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Accountant, Compli-  
3 ance, and Enforcement Staffing Act of 2003”.

**4 SEC. 2. ACCOUNTANTS, ECONOMISTS, AND EXAMINERS AP-  
5 POINTMENTS.**

6 Section 4(b) of the Securities Exchange Act of 1934  
7 (15 U.S.C. 78d(b)) is amended—

8 (1) by redesignating paragraph (3) as para-  
9 graph (4); and

10 (2) by inserting after paragraph (2) the fol-  
11 lowing new paragraph:

12 “(3) ACCOUNTANTS, ECONOMISTS, AND COMPLI-  
13 ANCE EXAMINERS APPOINTMENTS.—

14 “(A) APPOINTMENT AUTHORITY.—

15 “(i) This subparagraph applies with  
16 respect to any position of accountant,  
17 economist, and securities compliance exam-  
18 iner at the Commission that is in the com-  
19 petitive service.



1           “(ii) The Commission may appoint  
2 candidates to any position described in  
3 clause (i) in accordance with the statutes,  
4 rules, and regulations governing appoint-  
5 ments in the excepted service, and notwith-  
6 standing any statutes, rules, and regula-  
7 tions governing appointments in the com-  
8 petitive service.

9           “(iii) The appointment of a candidate  
10 to a position under authority of this sub-  
11 paragraph shall not be considered to cause  
12 such position to be converted from the  
13 competitive service to the excepted service.

14           “(iv) For purposes of this subpara-  
15 graph, the terms ‘competitive service’ and  
16 ‘excepted service’ have the respective  
17 meanings given them under chapter 21 of  
18 title 5, United States Code.

19           “(B) REPORTS.—No later than 90 days  
20 after the end of fiscal year 2003 (for fiscal year  
21 2003) and 90 days after the end of fiscal year  
22 2005 (for fiscal years 2004 and 2005), the  
23 Commission shall submit a report with respect  
24 to its exercise of the authority granted by sub-  
25 paragraph (A) during such fiscal years to the



1           Committee on Financial Services of the House  
2           of Representatives and the Committee on Bank-  
3           ing, Housing, and Urban Affairs of the Senate.  
4           Such reports shall describe the changes in the  
5           hiring process authorized by such subpara-  
6           graph, including relevant information related  
7           to—

8                       “(i) the quality of candidates;

9                       “(ii) the procedures used by the Com-  
10           mission to select candidates through the  
11           streamlined hiring process;

12                      “(iii) the numbers, types, and grades  
13           of employees hired under the authority;

14                      “(iv) any benefits or shortcomings as-  
15           sociated with the use of the authority;

16                      “(v) the effect of the exercise of the  
17           authority on the hiring of veterans and  
18           other demographic groups; and

19                      “(vi) the way in which managers were  
20           trained in the administration of the  
21           streamlined hiring system.”.

