

1. **AN AMENDMENT TO BE OFFERED BY  
REPRESENTATIVE OXLEY OF OHIO, OR HIS  
DESIGNEE.**

**DEBATABLE FOR 10 MINUTES:**

**AMENDMENT TO H.R. 3574, AS REPORTED**  
**OFFERED BY MR. OXLEY**  
**(Voluntary expensing)**

At the end of subsection (m)(4)(B) of the matter proposed to be inserted by section 2 of the bill, strike the close quotation mark and following period and insert the following:

1           “(5) VOLUNTARY EXPENSING.—Notwith-  
2 standing the requirements of this subsection, issuers  
3 may elect to expense the fair value of all officer and  
4 employee stock options in the annual report of such  
5 issuer under subsection (a)(2), in accordance with  
6 the expensing alternative of Statement of Financial  
7 Accounting Standards Number 123, and any such  
8 issuer making such election in the annual report for  
9 a fiscal year shall not be subject to paragraphs (2)  
10 through (4) of this subsection for such fiscal year.”.

At the end of paragraph (3)(B) of the matter proposed to be inserted by section 3 of the bill, strike the close quotation mark and following period and insert the following:



1                   “(C) EXCEPTION FOR VOLUNTARY EX-  
2                   PENSING.—Nothing in this paragraph or in any  
3                   other provision of the Stock Option Accounting  
4                   Reform Act shall prevent the Commission from  
5                   continuing to recognize the expensing alter-  
6                   native of Statement of Financial Accounting  
7                   Standards Number 123 as part of generally ac-  
8                   cepted accounting principles for issuers that  
9                   elect to expense the fair value of all officer and  
10                  employee stock options in the annual report of  
11                  such issuer pursuant to section 13(m)(5) of the  
12                  Securities Exchange Act of 1934.”.

