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Securities & Exchange Commission
100 F Street, NE
Washington, DC 20549

To Whom it May Concern:

With the rise and fall of such companies as ENRON and WorldCom due to fraudulent financial accounting reporting, there has become a need to better insure the safety of stockholders from unethical business practice. Simply letting these two examples slide without enacting some sort of national policy changes would have caused great distrust among investors in American companies. One of the best things going for the United States and its free enterprise system is the amount of control put on companies to ensure investors that the company is acting in the best interests of the stockholders. I feel it was, therefore, necessary for Congress to pass the Sarbanes-Oxley Act, which produced new restrictions and requirements on the internal control systems of a company, specifically in Section 404. Sarbanes-Oxley brought internal control management to the forefront of companies' agendas to ensure that they would not follow down the same path of Enron.

While Sarbanes-Oxley is revolutionizing how internal controls are established, I believe it was too much, too soon. Many companies, especially smaller ones, are having troubles trying to be up to code with Sarbanes. Compliance is now taking up a significant portion of a company's resources and often, is not cost effective. I propose that maybe some of Sarbanes-Oxley's regulation changes should have been brought about more gradually so that companies can slowly but surely grow into the new culture of internal controls.

In closing, I think Sarbanes-Oxley is a necessary measure to put faith back in the American market, but has cost a greater price than originally estimated. It has done the job of bringing the issue of internal control into the mindset of CEOs across the nation, yet the regulations that come along with it have hamstrung a lot of companies which in the long run may hurt our economy even further than a single company going down due to fraudulent accounting practices. It is therefore my proposal that the SEC become a little more lenient in getting companies into compliance with Sarbanes-Oxley until it can become a more cost effective process.

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