

July 16, 2002

Akin Votes for Corporate Responsibility Act Bill increases penalties for corporate fraud

Washington, D.C.- Today, Congressman Todd Akin voted in favor of H.R. 5118, the Corporate Fraud Accountability Act of 2002. The bill strengthens laws and increases penalties for corporate leaders who engage in fraudulent and manipulative accounting practices.

“Although a majority of business executives play by the rules and truly care for their employees and investors, the actions of a few have greatly affected confidence in our system and has injured many,” stated Akin. “With this bill we are giving more tools to prosecutors and increasing penalties for those who engage in fraudulent practices.”

H.R. 5118 will:

- Increase the penalties for mail and wire fraud
- Strengthen laws that criminalize document shredding
- Require top corporate executives to certify the accuracy of financial statements
- Increase the criminal penalties for those who file false statements with the SEC
- Freeze extraordinary payments to executives while the company is subject to an SEC investigation
- Ban CEO's and other officers who clearly abuse their power from serving in any corporate leadership position