

**AMENDMENT TO THE MANAGER'S AMENDMENT TO  
H.R. 6308  
OFFERED BY MR. CAPUANO OF MASSACHUSETTS**

**Conflicts of interest**

After section 101 of the Amendment, insert the following new section (and redesignate the succeeding section accordingly):

**1 SEC. 102. PREVENTING CONFLICTS OF INTEREST.**

2 (a) AMENDMENT.—Section 15E of the Securities Ex-  
3 change Act of 1934 (15 U.S.C. 78o-7) is further amend-  
4 ed—

5 (1) by redesignating subsection (q) (as redesign-  
6 nated by section 101 of this Act) as subsection (r);  
7 and

8 (2) by inserting after subsection (p) (as added  
9 by such section 101) the following new subsection:

10 “(q) PREVENTION OF CONFLICTS OF INTEREST.—  
11 The Commission shall, by rule, prohibit each nationally  
12 recognized statistical rating organization that is registered  
13 under this section from performing any credit rating of  
14 any security or money market instrument that is issued  
15 or underwritten by any issuer, broker, dealer, investment  
16 adviser, investment company, government securities

1 broker, government securities dealer, or any person con-  
2 trolling, controlled by, or under common control with any  
3 of the foregoing that has, within the preceding one year,  
4 employed any individual who was, within such one-year pe-  
5 riod, previously employed by such nationally recognized  
6 statistical rating organization.”.

7 (b) DELAYED EFFECT OF RULES.—The rules re-  
8 quired by the amendment made by subsection (a) shall not  
9 be effective before the date that is one year after the date  
10 of enactment of this Act.

In section 103 (as redesignated by the preceding amendment), strike “section 101” and insert “sections 101 and 102”.

