

1 **SEC. 966. SUGGESTION PROGRAM FOR EMPLOYEES OF THE**
2 **COMMISSION.**

3 The Securities Exchange Act of 1934 (15 U.S.C. 78a
4 et seq.) is amended by inserting after section 4C (15
5 U.S.C. 78d-3) the following:

6 **“SEC. 4D. ADDITIONAL DUTIES OF INSPECTOR GENERAL.**

7 “(a) SUGGESTION SUBMISSIONS BY COMMISSION EM-
8 PLOYEES.—

9 “(1) HOTLINE ESTABLISHED.—The Inspector
10 General of the Commission shall establish and main-
11 tain a telephone hotline or other electronic means for
12 the receipt of—

13 “(A) suggestions by employees of the Com-
14 mission for improvements in the work effi-
15 ciency, effectiveness, and productivity, and the
16 use of the resources, of the Commission; and

17 “(B) allegations by employees of the Com-
18 mission of waste, abuse, misconduct, or mis-
19 management within the Commission.

20 “(2) CONFIDENTIALITY.—The Inspector Gen-
21 eral shall maintain as confidential—

22 “(A) the identity of any individual who
23 provides information by the means established
24 under paragraph (1), unless the individual re-
25 quests otherwise, in writing; and

1 “(B) at the request of any such individual,
2 any specific information provided by the indi-
3 vidual.

4 “(b) CONSIDERATION OF REPORTS.—The Inspector
5 General shall consider any suggestions or allegations re-
6 ceived by the means established under subsection (a)(1),
7 and shall recommend appropriate action in relation to
8 such suggestions or allegations.

9 “(c) RECOGNITION.—The Inspector General may rec-
10 ognize any employee who makes a suggestion under sub-
11 section (a)(1) (or by other means) that would or does—

12 “(1) increase the work efficiency, effectiveness,
13 or productivity of the Commission; or

14 “(2) reduce waste, abuse, misconduct, or mis-
15 management within the Commission.

16 “(d) REPORT.—The Inspector General of the Com-
17 mission shall submit to Congress an annual report con-
18 taining a description of—

19 “(1) the nature, number, and potential benefits
20 of any suggestions received under subsection (a);

21 “(2) the nature, number, and seriousness of
22 any allegations received under subsection (a);

23 “(3) any recommendations made or actions
24 taken by the Inspector General in response to sub-

1 stantiated allegations received under subsection (a);
2 and

3 “(4) any action the Commission has taken in
4 response to suggestions or allegations received under
5 subsection (a).

6 “(e) FUNDING.—The activities of the Inspector Gen-
7 eral under this subsection shall be funded by the Securities
8 and Exchange Commission Investor Protection Fund es-
9 tablished under section 21F.”.

10 **SEC. 967. COMMISSION ORGANIZATIONAL STUDY AND RE-**
11 **FORM.**

12 (a) STUDY REQUIRED.—

13 (1) IN GENERAL.—Not later than the end of
14 the 90-day period beginning on the date of the en-
15 actment of this subtitle, the Securities and Ex-
16 change Commission (hereinafter in this section re-
17 ferred to as the “SEC”) shall hire an independent
18 consultant of high caliber and with expertise in orga-
19 nizational restructuring and the operations of capital
20 markets to examine the internal operations, struc-
21 ture, funding, and the need for comprehensive re-
22 form of the SEC, as well as the SEC’s relationship
23 with and the reliance on self-regulatory organiza-
24 tions and other entities relevant to the regulation of