

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