dangerous standard and a precedent and that the process should be left to independent experts. And as the bill now stands, that is not true. We hope we can correct it, but my amendment was not included as part of this debate.

And I filed this amendment in the Committee on Rules to correct it, and subsequent to that, I think the proponents of this legislation realized the wisdom of my amendment. In fact, I think they have adopted it as their own in the manager's amendment, and I consider that high flattery that they would take what we offered and adopt it as a manager's amendment, but I still believe that this stand-alone amendment would make a better point in this case for why FASB should be left intact, and we should not, as Members of Congress, go about the process of instituting, by statute, written accounting rules.

In fact, I know of no occasion in history in which Congress, by statute, has written an accounting rule, and so I do not think Members are that confident that they can go ahead and disregard the unanimous advice of the President's leading economic advisers and the most famous investor in history.

When we think about it, the most famous investor in the country indicated that in a sense this bill H.R. 3574 sets an accounting rule that is in direct contradiction to the treatment of the same item in the Tax Code. So Warren Buffett has 62 years of investing experience. That seems to be a lot, a lot more, perhaps, than many of us here in the House, and I think if his recommendation is that we not institute a statute which changes the accounting rule, we should also abide by what he is talking about.

We saw what happened with Enron and WorldCom, and they paid themselves tens of billions of dollars in stock options. And they were never accounted for, and I do not think this bill is going to do it. And I think my amendment would have helped.

Mr. HASTINGS of Florida. Mr. Speaker, I yield back the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume.

I thank you for your indulgence in hearing this debate today and for your wisdom and hard work to be with us through this process.

Mr. Speaker, what we have heard today is, Members of Congress from all across this great country, California, Oregon, Florida, Texas and other places, who have talked about the need and the desire for us to pass this legislation that we have before us.

I am proud that our speaker, the gentleman from Illinois (Mr. HASTERT) and our majority leader, the gentleman from Texas (Mr. DELAY) are fully in support of this bipartisan legislation, legislation that has been brought to the floor through the leadership of the gentleman from Ohio (Mr. OXLEY) and the gentleman from Louisiana (Mr. BAKER) and the gentleman from Texas (Mr. BARTON), who is the chairman of the Committee on Energy and Commerce, and certainly the words from the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules, in talking about how this excites America and workers to achieve not only dedication and hard work, but also encourages biotech firms.

I think this is exciting. I think this is the right thing. I think this is what Congress should be doing in the leadership of the gentleman from Texas (Mr. DELAY) and the gentleman from Illinois (Mr. HASTERT) to make sure this kind of legislation consumes our time, is important to America and our future.

In 2002, nearly 15 million Americans held stock options, about 13 percent of private sector workers nationwide. About 85 percent of the existing stock options are held by nonmanagement workers. This is a whole lot to do about allowing people who get up and go to work every day, Mr. Speaker, who care about not only this country and about their families, but this offers them to protect that nest egg that grows.

I am proud of what the Republican Party is doing by bringing this legislation to the floor. I am equally as proud that it is bipartisan, because it is doing the right thing for people, and I stand in support of this, encourage my colleagues to support the underlying legislation in the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1130

PROVIDING FOR CONSIDERATION OF H.R. 4850, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2005

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 724 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 724

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4850) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2005, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived except: sections 116, 126, 130, and 131. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. BONILLA). The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

H. Res. 724 provides for consideration of H.R. 4850, the District of Columbia Appropriations Act of 2005, under an open rule, as is customary with most annual appropriations measures.

I am very pleased that the normal, open amendment process outlined in H. Res. 724 will allow a Member to offer any amendment to the bill, as long as it complies with the standing rules of the House.

The rule provides 1 hour of debate in the House on the bill equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The resolution waives all points of order against consideration of the bill.

H. Res. 724 waives points of order against provisions in the bill for failure to comply with clause 2 of rule XXI, which prohibits unauthorized appropriations or legislative provisions in an appropriations bill, except as specified in the resolution.

H. Res. 724 also authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. This procedure will help the House in considering amendments in a more orderly manner. Finally, H. Res. 724 provides for one motion to recommit with or without instructions.

Mr. Speaker, with respect to the underlying legislation, I want to begin by commending the chairman of the Subcommittee on the District of Columbia of the Committee on Appropriations, the gentleman from New Jersey (Mr. FRELINGHUYSEN). He has done a good job in working with the gentleman from Pennsylvania (Mr. FATTAH) in crafting H.R. 4850, and the bill deserves the support of the House today.

This provides the District of Columbia with a $560 million Federal payment, and it provides $8.2 billion in

funds for the District of Columbia's governmental activities. Both of these figures match the President's budget request.

On a parenthetical note, I would note that the county in which I live, Gwinnett County, Georgia, has 50 percent more citizens than the District of Columbia and provides all the same services with the exception of welfare, and it does it for $1 billion a year.

Mr. Speaker, this rule provides for an open amendment process for consideration of the FY 2005 District of Columbia appropriations bill. I urge my colleagues to support this fair rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Georgia (Mr. LINDER) for the time.

Mr. Speaker, this rule is typical for most appropriations bills, and I would support it. I rise today, albeit reluctantly, in support of the District of Columbia appropriations bill for fiscal year 2005.

Mr. Speaker, as there is no perfect legislation and certainly not when it comes to funding matters, I would be remiss if I did not say that the bill includes provisions that are controversial and detrimental, in my view, to the District's residents and the country as a whole. I do not have to tell any of my colleagues about the uniqueness of the District of Columbia as a Federal city.

It is the only place in the Nation where constitutionally Congress can exercise micromanagement at the highest and lowest levels. It is the petri dish of the country where the ideological differences of those in this body wreak havoc on the lives of some 560,000-plus District of Columbia residents.

Taking into consideration the fact that the District of Columbia has no voting representation in Congress, we should be mindful of the privileged duties and be careful not to put our own parochial agendas on the table when considering this legislation. The underlying legislation includes a direct Federal funding increase for the District of $18 million over last year. A large part of the increase will go towards paying the cost of the District's court system as well as related criminal justice programs.

The bill also provides for direct appropriations for the Resident Tuition Support program and $13 million for District of Columbia charter schools. It also includes $14 million for school vouchers, despite the fact that a significant portion of the funds appropriated last year for this controversial program went unused.

The underlying legislation also includes legislative riders that prohibit the use of funds for abortions, registering same-sex couples. And for the distribution of clean needles and syringes. This bill has quickly become a smorgasbord of controversy.

Hot-button social issues should not enter into play when considering the needs and lives of the residents of the Nation's capital. It is high time that we as lawmakers in this great body stop playing political chess games with our responsibility to this process. We should allow the people of Washington, D.C. to govern themselves.

Funding for the education of the Nation's children and the overall healthy well-being of its citizens should be our primary focus and goal. The District of Columbia appropriations bill is not the stage to act out experimental projects that will not necessarily prove beneficial in the end. We must be mindful of the District's citizens that we have been given charge of. They are silenced in this process by the Constitution, and we must be responsible in our actions on their behalf.

I urge my colleagues to consider this responsibility when voting on the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield such time as she may consume to the gentlewoman from the District of Columbia (Ms. NORTON), who knows more about this appropriations measure and about the things of which I just spoke.

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding me time. I thank the gentleman from Georgia (Mr. LINDER) and the gentleman from Florida (Mr. HASTINGS) for their work in the Committee on Rules on this bill.

Everything is relative in the Congress and, I appreciate the bill that has been brought forward this year, particularly when I compare the time that this body has had to take up on the smallest appropriations in prior years, and so I thank both of the gentlemen for their work. I want to thank and congratulate the full committee chairman, the gentleman from Florida (Mr. YOUNG), and the full committee ranking member, the gentleman from Wisconsin (Mr. OBEY), for the way in which they urge and guide our appropriations bill through, because of their concern for the process and their respect for self-government in the District of Columbia. And their guidance has been, I think, heard and felt this year.

I am particularly grateful to the gentleman from New Jersey (Mr. FRELINGHUYSEN) and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), who did all the heavy lifting on this work. I am grateful for their bipartisan efficiencies and cooperation in handling this appropriations. They have been mindful of the fact that Members are here appropriating funds for a city, not a Federal agency; and that makes all the difference in the world.

First, most of the money comes from the taxpayers of the District of Columbia. This is one of the great anomalies that the Congress has thrust on itself to force taxpayer funds from the District of Columbia to come here and be blessed. And by the way, I thank the committee that from time immemorial the committee does not, in fact, go into the body of the District of Columbia budget. Everybody understands that that would be treacherous. So mostly it comes here for oversight and for attachments that the ranking member spoke of, attachments that would never be abided in Members' own districts. But I am very pleased to simply have this money get out of here with the kind of rule that the Committee on Rules has come forward with this year.

There are huge hardships in any delay in the District of Columbia appropriations, hardships, chaos in city operations, hardships on District of Columbia residents. When our appropriations do not go smoothly and it has to go back and forth, the biggest hit is taken by school children and the schools of the District of Columbia. All manner of problem breaks out with ordering school books, with having to send supplies back because the appropriations is not out yet. I will not regale you with those problems this year, particularly since the Committee on Rules and the Committee on Appropriations have worked so hard to bring this forward.

I do note for Members, particularly those Members who have not had to go through this ordeal before, who are scratching their heads saying, what am I doing here considering the appropriations of a city, that this appropriations has had the oversight of the authorizing committee, the Committee on Government Reform, whose chairman is the gentleman from Virginia (Mr. TOM DAVIS) and the ranking member is the gentleman from California (HENRY WAXMAN).

It has had the oversight of, of course, the Committee on Rules, and I thank them for the way they have done the rule this year. And, of course, it has gone through the subcommittee and the full Committee on Appropriations.

Let us look and see what these three committees have come forward to recommend to this body. I will call it a clean bill because everything is relative, and this is a clean dirty bill; but it is the kind of bill, perhaps the best bill, that one could get from this House.

Now, all the old attachments are there, and the ranking member has spelled out some of them. I cannot say enough about how much those attachments are resented in the District of Columbia. I cannot say enough about the price residents pay for them. Perhaps the worst price is paid for the needle exchange attachment where none of our own money, there is some private money, but none of our own money can be used to save the lives of men, women, and children with AIDS now

being spread in the District of Columbia faster than in any other jurisdiction in the United States, most of it intravenously; and we cannot do what I must tell you dozens and dozens of jurisdictions do and have done with great effect in halting AIDS, and that is to professionally use needle exchange programs now recommended by literally all the great scientific authorities.

The attachment forbidding abortions for poor women when hundreds of jurisdictions all over the United States, in fact, fund abortions for poor women speaks for itself. Why should one jurisdiction be the exception in the United States of America?

□ 1145

Of course, I suppose the House should really think about how to hang its head in shame, that there is an attachment that bars the District of Columbia from using its own money to lobby for its own rights. George Washington, Thomas Jefferson, try not to turn over in your graves. In the year 2004, we have the Congress saying that American citizens cannot use their own tax money to lobby their own Congress where they have no vote for their own rights.

My colleagues heard me. I hope they will not hear me have to say this again. I do not think that anyone in this House has anything to fear from hearing from elected officials and from the residents of the District of Columbia using their own money to petition their government for their basic rights. It is one of the great shames of this bill, and one that I cannot believe today enjoys majority support of Members of this House.

So I am asking, in short, the House to respect the work of the Committee on Rules, the work of the Committee on Appropriations, and yes, by direction the work of the Committee on Government Reform, and in doing so, I am going to lead by example.

I am asking Members not to come forward with amendments. I am going to lead by example because there is an amendment that I feel strongly about. Again, the gentleman from Florida (Mr. HASTINGS) spoke of that amendment as well, and that is an amendment I fought in this House with a lot of Republican support last year, when I sought to keep the House from imposing vouchers against the will of a supermajority of the elected officials, the great majority of the people of the District of Columbia, and yet, this was done to the District what has not been done to any other district.

I intended to come forward with an amendment, even if I had to withdraw it, and I would have had to withdraw it because it would have been out of order, to take the $4 million that is lying on the table, that cannot be used for vouchers because not enough residents came forward in the grades that the bill calls for in order to take up the vouchers. All along we had said that what District residents want is charter schools if there is to be an alternative. They have our D.C. public schools. We have the largest number of charter schools per capita in the United States, and I think that is shown by the fact that the waiting lists continue to grow in charter schools. Yet there is $4 million left on the table that has not been used for school vouchers.

So I intended to come forward and say, Pick that money up off of the table, and let it be used by the children of the District of Columbia; but I am going to respect the work of the Committee on Rules, I am going to respect the work of the Committee on Appropriations because they have come forward with a bill without additional attachments, and I am not going to offer that amendment. It particularly would have been subject to a point of order or would have drawn people down here to talk about it.

But if the point is to compliment the Committee on Rules and the Committee on Appropriations for the efficiency with which they have handled this committee, then I think I ought to get in line with what they have done, and I will, therefore, not come forward with such an amendment during the debate.

The matter never passed in the Senate. It passed here by one vote. This was the test vote for the prescription drug vote. This was the vote that was kept open over 40 minutes while they flipped somebody in order to let vouchers go through. It never did get through in the Senate. It was simply attached to an omnibus bill.

This is the great hall of democracy, great Congress of democracy. So I feel strongly about it, but I also feel strongly about the way in which the Committee on Appropriations and the Committee on Rules have accommodated the District of Columbia during this appropriations process, and I am not going to waste the time of this body, and I ask other Members not to waste the time of this body.

I understand a letter went around concerned that a Council member had put a bill in to allow noncitizens to vote in local elections. I do want Members to know that that was put in on the last day of the Council. Everybody went home, taking no action on it, and this is an election year.

One of the things we ought not to do is rise to every bait. Obviously, this is not a bill that was considered serious, certainly not at the moment, because it would have been introduced earlier and there would have been some action on it. If we really feel so moved to come to the floor, it seems to me we ought to wait and see if the District of Columbia, in fact, is going to act on the matter or if there, in their own Council, they can dispose of the matter. At least give us that respect.

Just like there were Members who were concerned about slots. Boy, they could not have been more concerned about slots, as I am. I am with my good friend, the gentleman from Virginia (Mr. WOLF), when it comes to gambling. I am kind of an extremist on the question of gambling. I consider the kind of gambling that goes on, in slots especially, a kind of tax on the poor.

They tell people it is going to be used for their schools. Fine, well, let people who can afford in a progressive fashion to pay for schools do it. It is a real game played on the poor. I could not hate it more. The people who bring it forward in this city are playing a game on the city, particularly on the poor people of the city.

This is basically a class matter. Better-educated people look at the odds and tend not to play these slots. Poor people who, after all, do not have the same opportunities, who cannot see any other way for their ship to come in, are most vulnerable to certain kinds of gambling measures.

So this matter has come forward in the District. Guess what, the majority of the City Council has already said they are going to overturn it.

Suppose we had jumped up here and run to the Committee on Rules and run to the Committee on Appropriations without giving the sensible Council of the District of Columbia the right to say, Slots is not economic development, and we do not want that sleazy stuff in the District of Columbia. We do not want it even if we were not the capital of the United States, but we certainly do not want it, not in the capital of the United States.

We understand who we are, and I am saying to other Members, who would be inclined to come down and offer amendments, to give us the opportunity to consider these matters. My colleagues can always have their opportunity because there is always another appropriation, so they can always come forward with the very same matter. At least give us the respect of dealing with the matter ourselves, particularly if it is a bill that has only been introduced at the end of the session, then everybody went home.

Note that all of the committees I have cited have come to the same conclusions, have come forward with a cleaner bill than I have seen in some time. These are only the committees that spend any time on the District of Columbia, and I apologize to all Members that we are having to spend any time whatsoever on an appropriation that, if it means anything to them, they are in trouble because when the people back home find out they are spending any but the time that they are committed to spend by law on somebody else's money, and almost all of this is our money, I do not think they would be very pleased.

Anything that would be, shall we say, ''untoward'' had opportunity to come to the attention of the Committee on Appropriations, the authorization committee, and the Committee on Rules, and they have put forward the bill that we see before us; and I ask my colleagues to pass the bill we see before us.

Finally, Mr. Speaker, I have to certainly say that while I have apologized that Members are having to consider this matter at all, and I do apologize for it, at the same time I want to say this is a burden that they could relieve themselves of. This entire process violates the most basic American idea, that is, the idea of Federalism. It is the idea of local control on local matters.

The gentleman from New Jersey (Mr. FRELINGHUYSEN) and the gentleman from Pennsylvania (Mr. FATTAH) have worked very hard to make this process no worse than it already is by doing it as the law requires. I ask my colleagues to respect their work. I ask them to respect the people of the District of Columbia. I ask my colleagues to pass this rule so that we can get the District's own taxpayer-raised money to the District of Columbia.

Mr. HASTINGS of Florida. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3574, the Stock Option Accounting Reform Act.

The SPEAKER pro tempore (Mr. LINDER). Is there objection to the request of the gentleman from Ohio?

There was no objection.

STOCK OPTION ACCOUNTING REFORM ACT

The SPEAKER pro tempore. Pursuant to House Resolution 725 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3574.

The Chair designates the gentleman from Iowa (Mr. LATHAM) as chairman of the Committee of the Whole, and requests the gentleman from Texas (Mr. BONILLA) to assume the chair temporarily.

□ 1156

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3574) to require the mandatory expensing of stock options granted to executive officers, and for other purposes, with Mr. BONILLA (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from Pennsylvania (Mr. KANJORSKI) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume.

I would like to commend the gentleman from Louisiana (Mr. BAKER), the chairman of the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, for his great leadership on the Stock Option Accounting Reform Act. His legislation strikes a significant compromise between those who believe that expensing options will help prevent some of the corporate governance abuses we have seen in the last few years and those who believe that expensing options will harm our most innovative companies, especially those in the high-tech industry, but not exclusive to them.

Requiring publicly held companies to record as an expense options granted to the chief executive and the next four most highly compensated officers will help preserve broad-based employee stock options and, at the same time, addresses the corporate governance concerns voiced by advocates of expensing.

Our most successful enterprises, many of which are small businesses and venture capital companies, would not be as successful as they are today but for their ability to attract and retain talented employees by giving them ownership in that endeavor. Ownership rewards due to one's personal contribution to a successful enterprise is the ethos of our capital markets system.

While I have been, and continue to be, a strong supporter of FASB's independence, I am supportive of the gentleman from Louisiana's (Chairman BAKER) legislation because I believe FASB's proposal, as currently drafted, would do harm to our most innovative companies. While I believe that FASB should be separated from the political process, and I have supported FASB's independence during all of my 20-plus years here in the Congress, its authority is subject to review by the Congress.

In extraordinary circumstances, and I believe this is one of those rare occasions, FASB's rule-making should be halted when its proposal will do harm to our economy, and I believe that is the case here. The Congress is ultimately responsible for the economic well-being of this country. Policies that could create an environment that is hostile to innovation and entrepreneurship must be reviewed and altered accordingly.

Therefore, I urge all of my colleagues to support the gentleman from Louisiana's (Chairman BAKER) important legislation.

Mr. Chairman, I reserve the balance of my time.

□ 1200

Mr. KANJORSKI. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, we are unfortunately meeting today to consider the Stock Option Accounting Reform Act. This bill would begin the process of repealing the reforms we enacted in the historic Sarbanes-Oxley Act just 2 years ago. As I repeatedly noted during the Committee on Financial Services' consideration of these matters, deciding what should be accounted for and how it should be accounted for is the job of the Financial Accounting Standards Board, not the Congress.

Nevertheless, I recognize the strong feelings and deep concerns expressed by the parties on the other side of this contentious issue. The accounting treatment of stock options has caused significant controversy for more than a decade and FASB's decision to revisit this matter has rekindled a fiery debate.

Although I have great sympathy for those individuals in the high-tech community who have raised considerable reservations about the expensing of stock options and the effects on business operations and compensation plans, H.R. 3574 would interfere with FASB's independence. It could also undermine the credibility of financial reports.

We need to work in Washington, particularly in the wake of recent accounting scandals, to improve the transparency of financial reporting statements in order to help average investors make better decisions. A decade ago, the Congress strong-armed FASB into abandoning an effort to adopt a rule requiring stock option expensing. We now know that this retreat helped contribute to a recent financial storm on Wall Street. In fact, a recent study by economists at Texas A&M found that companies where CEOs had options equal to 52 times their annual salary were 70 percent more likely to have a restatement than similar-sized companies in similar industries where CEO had little option wealth.

In considering this bill today, we may, therefore, ultimately allow history to repeat itself. We would for the first time also be making the Congress an appeals board for the development of accounting standards. Support in the business community for mandatory expensing has increased significantly in the wake of the recent tidal wave of accounting scandals. A Merrill Lynch study found more than 90 percent of institutional investors want stock options expensed. This view is shared by the American Institute of Certified Public Accountants, the Investment Company Institute, and the Council for Institutional Investors. Our largest accounting firms have also called for the expensing of stock options.

In addition, nearly 600 companies have already voluntarily adopted or are in the process of adopting fair-value expensing of stock options. Respected corporations like Home Depot, General Motors, General Electric, Wal-Mart, Microsoft, and Amazon have all decided to treat stock options as expenses.