

Congresswoman

# NYDIA M. VELAZQUEZ

Representing New York's 12th Congressional District

Ranking Democratic Member, House Small Business Committee



## Congress Passes Corporate Accountability Bill

### Attacks fraud, imposes audit control, requires jail terms

In the most sweeping change to the nation's regulation of the marketplace since the 1930s, Congress toughened penalties for corporate wrongdoing.

Wracked by scandals that have led to the two largest bankruptcies in American history - Enron and WorldCom - in addition to concerns or charges about operations at Arthur Andersen, Adelphia, and AOL Time Warner, Wall Street markets have fallen, threatening the retirement of million of Americans.

Led by Democrats, Congress agreed to impose criminal penalties for fraud or signing off on misleading financial statements. The legislation passed creates a new regulatory body for accounting firms' auditing practices, similar to the Securities and Exchange Commission that monitors financial markets.

Under extreme pressure to bolster an uncertain economy, the President is expected to sign the bill into law.

#### **CORPORATE ACCOUNTABILITY PROVISIONS**

- Establishes new Public Auditing Regulatory Board
- Ensures that audits are independent
- Ends stock analysts' conflicts of interest
- Expands SEC resources
- Holds CEOs accountable for honest bookkeeping
- Bars wrongdoing officers and directors from moving company to company
- Prohibits corporations from making insider loans to their executives
- Requires timely reports when corporate insiders dump stock
- Bans CEOs from selling stock during 'blackouts'
- Requires real time disclosure of financial info
- Criminal penalties for securities fraud
- Criminal penalties for altering, destroying, or failing to maintain documents
- Gives shareholders adequate time to pursue securities fraud
- Protects whistleblowers
- Compensates victims of securities fraud

## Velázquez Awarded for Kid-Friendly Voting Record

### Children's Defense Fund Gives 100 percent rating



Congresswoman Velázquez visited a girls club earlier this year.

The Children's Defense Fund Action Council ranked Congresswoman Nydia M. Velázquez among the top House lawmakers on children's issues in 2001, awarding a perfect 100 percent score for her pro-kids voting record. The annual Defense Fund Scorecard has ranked lawmakers according to their vote on 10 crucial bills in Congress for the past three years.

"I am honored to be selected among this group of lawmakers who fight every day for America's children," Congresswoman Velázquez said. "How we take care of the most vulnerable among us and prepare them for the future says a lot about our nation. I am proud of my record in standing up for children in New York."

One of the 10 measures used by the Defense Fund to evaluate lawmakers included Congresswoman Velázquez's own amendment to a spending bill to fund the YouthBuild program with \$10 million.

# Amendments Help Housing Residents, Homeowners

## Velázquez wins provision to provide jobs and buyer assistance

Public housing amendments authored by Congresswoman Nydia M. Velázquez were passed by an important House panel last month to promote minority homeownership and provide employment opportunities for public housing residents.

A growing crisis in New York City and across the country is predatory lending – the practice of lenders charging very high interest rates and fees, or imposing unrealistic terms – which too frequently can result in the loss of an individual’s home.

Nationally, default rates on federally insured mortgages have more than doubled in the last decade. This year in the New York region alone, default rates on these same loans are three times the national average. A major cause of this is predatory lending practices, and a key way to fight it is through education.

Congresswoman Velázquez’s amendment would create a pilot program in New York to provide first-time homebuyers in high foreclosure areas with loan counseling and assistance before they purchase a new home.

“Education is power,” Congresswoman Velázquez said. “And with this new program, we will empower individuals to ask the right questions and protect themselves from the unscrupulous practices that could turn the American dream of homeownership into a nightmare.”



**Congresswoman Velázquez speaks at a meeting of public housing residents.**

Congresswoman Velázquez’s other proposal would increase work opportunities for public housing residents. With the city-wide unemployment rate of eight percent – the highest in two years – it is very important to provide working families with job opportunities. Congresswoman Velázquez’s amendment would set aside 30 percent of all labor costs on contracts worth more than \$500,000 to hire eligible residents.

# Summer Food Service Reaches More Kids

## Initiative makes sure children get good meals while out of school

Congresswoman Nydia M. Velázquez worked with the Community Food Resource Center to launch the Summer Food Service Program, or SFSP, for area youth at P.S. 169 in Sunset Park.

The initiative is designed to make sure children get nutritious meals during the summer while they are out of school where such benefits are available to them during the academic year. It is administered by the New York City Board of Education’s Office of School Food and Nutrition Services.

“During the school year, children are able to get free, nutritious meals at school,” Congresswoman Velázquez said. “But when school ends, kids still have nutritional needs. The federal SFSP initiative will help children and their families meet those needs.”

The summer months are a time when children play, grow and continue to learn. The only way they can do this is by eating right and getting the nutrients they need for a healthy, productive summertime. The



**Congresswoman Velázquez meets students at P.S. 27’s school cafeteria in Red Hook.**

SFSP program is a way to ensure this happens at the local level in our communities.”

### [Grants Awarded to Our Community](#)

St. Agatha School.....\$15,001  
For “E-rate” Internet connections

St. Michael School.....\$839  
For “E-rate” Internet connections