

AMENDMENT TO THE RULES COMMITTEE PRINT

116-57

OFFERED BY MR. MEEKS OF NEW YORK

Add at the end the following:

1 **DIVISION F—IMPROVING COR-**
2 **PORATE GOVERNANCE**
3 **THROUGH DIVERSITY**

4 **SEC. 6001. SHORT TITLE.**

5 This division may be cited as the “Improving Cor-
6 porate Governance Through Diversity Act of 2020”.

7 **SEC. 6002. SUBMISSION OF DATA RELATING TO DIVERSITY**
8 **BY ISSUERS.**

9 Section 13 of the Securities Exchange Act of 1934
10 (15 U.S.C. 78m) is amended by adding at the end the
11 following:

12 “(s) SUBMISSION OF DATA RELATING TO DIVER-
13 SITY.—

14 “(1) DEFINITIONS.—In this subsection—

15 “(A) the term ‘executive officer’ has the
16 meaning given the term in section 230.501(f) of
17 title 17, Code of Federal Regulations, as in ef-
18 fect on the date of enactment of this subsection;
19 and

1 “(B) the term ‘veteran’ has the meaning
2 given the term in section 101 of title 38, United
3 States Code.

4 “(2) SUBMISSION OF DISCLOSURE.—Each
5 issuer required to file an annual report under sub-
6 section (a) shall disclose in any proxy statement and
7 any information statement relating to the election of
8 directors filed with the Commission the following:

9 “(A) Data, based on voluntary self-identi-
10 fication, on the racial, ethnic, and gender com-
11 position of—

12 “(i) the board of directors of the
13 issuer;

14 “(ii) nominees for the board of direc-
15 tors of the issuer; and

16 “(iii) the executive officers of the
17 issuer.

18 “(B) The status of any member of the
19 board of directors of the issuer, any nominee
20 for the board of directors of the issuer, or any
21 executive officer of the issuer, based on vol-
22 untary self-identification, as a veteran.

23 “(C) Whether the board of directors of the
24 issuer, or any committee of that board of direc-
25 tors, has, as of the date on which the issuer

1 makes a disclosure under this paragraph,
2 adopted any policy, plan, or strategy to promote
3 racial, ethnic, and gender diversity among—

4 “(i) the board of directors of the
5 issuer;

6 “(ii) nominees for the board of direc-
7 tors of the issuer; or

8 “(iii) the executive officers of the
9 issuer.

10 “(3) ALTERNATIVE SUBMISSION.—In any 1-
11 year period in which an issuer required to file an an-
12 nual report under subsection (a) does not file with
13 the Commission a proxy statement relating to the
14 election of directors or an information statement, the
15 issuer shall disclose the information required under
16 paragraph (2) in the first annual report of issuer
17 that the issuer submits to the Commission after the
18 end of that 1-year period.

19 “(4) ANNUAL REPORT.—Not later than 18
20 months after the date of the enactment of this sub-
21 section, and annually thereafter, the Commission
22 shall submit to the Committee on Financial Services
23 of the House of Representatives and to the Com-
24 mittee on Banking, Housing, and Urban Affairs of
25 the Senate and publish on the website of the Com-

1 mission a report that analyzes the information dis-
2 closed pursuant to paragraphs (1), (2), and (3) and
3 identifies any trends in such information.

4 “(5) BEST PRACTICES.—

5 “(A) IN GENERAL.—The Director of the
6 Office of Minority and Women Inclusion of the
7 Commission shall, not later than the end of the
8 3-year period beginning on the date of the en-
9 actment of this subsection and every three
10 years thereafter, publish best practices for com-
11 pliance with this subsection.

12 “(B) COMMENTS.—The Director of the Of-
13 fice of Minority and Women Inclusion of the
14 Commission may, pursuant to subchapter II of
15 chapter 5 of title 5, United States Code, solicit
16 public comments related to the best practices
17 published under subparagraph (A).”.

18 **SEC. 6003. DIVERSITY ADVISORY GROUP.**

19 (a) ESTABLISHMENT.—The Securities and Exchange
20 Commission shall establish a Diversity Advisory Group
21 (the “Advisory Group”), which shall be composed of rep-
22 resentatives from the government, academia, and the pri-
23 vate sector.

24 (b) STUDY AND RECOMMENDATIONS.—The Advisory
25 Group shall—

1 (1) carry out a study that identifies strategies
2 that can be used to increase gender, racial, and eth-
3 nic diversity among members of boards of directors
4 of issuers; and

5 (2) not later than 9 months after the establish-
6 ment of the Advisory Group, submit a report to the
7 Commission, the Committee on Financial Services of
8 the House of Representatives, and the Committee on
9 Banking, Housing, and Urban Affairs of the Senate
10 that—

11 (A) describes any findings from the study
12 conducted pursuant to paragraph (1); and

13 (B) makes recommendations of strategies
14 that issuers could use to increase gender, racial,
15 and ethnic diversity among board members.

16 (c) ANNUAL REPORT.—Not later than 1 year fol-
17 lowing the submission of a report pursuant to subsection
18 (b), and annually thereafter, the Commission shall submit
19 a report to the Committee on Financial Services of the
20 House of Representatives and the Committee on Banking,
21 Housing, and Urban Affairs of the Senate that describes
22 the status of gender, racial, and ethnic diversity among
23 members of the board of directors of issuers.

24 (d) PUBLIC AVAILABILITY OF REPORTS.—The Com-
25 mission shall make all reports of the Advisory Group avail-

1 able to issuers and the public, including on the website
2 of the Commission.

3 (e) DEFINITIONS.—For the purposes of this section:

4 (1) ISSUER.—The term “issuer” has the mean-
5 ing given the term in section 3 of the Securities Ex-
6 change Act of 1934.

7 (2) COMMISSION.—The term “Commission”
8 means the Securities and Exchange Commission.

