

AMENDMENT TO RULES COMMITTEE PRINT

117-54

OFFERED BY MR. MEEKS OF NEW YORK

Add at the end of title LIV of division E the following:

1 SEC. 5403. SUBMISSION OF DATA RELATING TO DIVERSITY.

2 Section 13 of the Securities Exchange Act of 1934
3 (15 U.S.C. 78m) is amended by adding at the end the
4 following:

5 “(s) SUBMISSION OF DATA RELATING TO DIVER-
6 SITY.—

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

8 “(A) the term ‘executive officer’ has the
9 meaning given the term in section 230.501(f) of
10 title 17, Code of Federal Regulations, as in ef-
11 fect on the date of enactment of this subsection;
12 and

13 “(B) the term ‘veteran’ has the meaning
14 given the term in section 101 of title 38, United
15 States Code.

16 “(2) SUBMISSION OF DISCLOSURE.—Each
17 issuer required to file an annual report under sub-
18 section (a) shall disclose in any proxy statement and

1 any information statement relating to the election of
2 directors filed with the Commission the following:

3 “(A) Demographic data, based on vol-
4 untary self-identification, on the racial, ethnic,
5 gender identity, and sexual orientation composi-
6 tion of—

7 “(i) the board of directors of the
8 issuer;

9 “(ii) nominees for the board of direc-
10 tors of the issuer; and

11 “(iii) the executive officers of the
12 issuer.

13 “(B) The status of any member of the
14 board of directors of the issuer, any nominee
15 for the board of directors of the issuer, or any
16 executive officer of the issuer, based on vol-
17 untary self-identification, as a veteran.

18 “(C) Whether the board of directors of the
19 issuer, or any committee of that board of direc-
20 tors, has, as of the date on which the issuer
21 makes a disclosure under this paragraph,
22 adopted any policy, plan, or strategy to promote
23 racial, ethnic, and gender diversity among—

24 “(i) the board of directors of the
25 issuer;

1 “(ii) nominees for the board of direc-
2 tors of the issuer; or

3 “(iii) the executive officers of the
4 issuer.

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

14 “(4) ANNUAL REPORT.—Not later than 18
15 months after the date of enactment of this sub-
16 section, and annually thereafter, the Commission
17 shall submit to the Committee on Banking, Housing,
18 and Urban Affairs of the Senate and the Committee
19 on Financial Services of the House of Representa-
20 tives, and publish on the website of the Commission,
21 a report that analyzes the information disclosed
22 under paragraphs (2) and (3) and identifies any
23 trends with respect to such information.

24 “(5) BEST PRACTICES.—

1 “(A) IN GENERAL.—The Director of the
2 Office of Minority and Women Inclusion of the
3 Commission shall, not later than 3 years after
4 the date of enactment of this subsection, and
5 every 3 years thereafter, publish best practices
6 for compliance with this subsection.

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

13 **SEC. 5404. DIVERSITY ADVISORY GROUP.**

14 (a) DEFINITIONS.—For the purposes of this section:

15 (1) ADVISORY GROUP.—The term “Advisory
16 Group” means the Diversity Advisory Group estab-
17 lished under subsection (b).

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

20 (3) ISSUER.—The term “issuer” has the mean-
21 ing given the term in section 3(a) of the Securities
22 Exchange Act of 1934 (15 U.S.C. 78c(a)).

23 (b) ESTABLISHMENT.—The Commission shall estab-
24 lish a Diversity Advisory Group, which shall be composed
25 of representatives from—

1 (1) the Federal Government and State and local
2 governments;

3 (2) academia; and

4 (3) the private sector.

5 (c) STUDY AND RECOMMENDATIONS.—The Advisory
6 Group shall—

7 (1) carry out a study that identifies strategies
8 that can be used to increase gender identity, racial,
9 ethnic, and sexual orientation diversity among mem-
10 bers of boards of directors of issuers; and

11 (2) not later than 270 days after the date on
12 which the Advisory Group is established, submit to
13 the Commission, the Committee on Banking, Hous-
14 ing, and Urban Affairs of the Senate, and the Com-
15 mittee on Financial Services of the House of Rep-
16 resentatives a report that—

17 (A) describes any findings from the study
18 conducted under paragraph (1); and

19 (B) makes recommendations regarding
20 strategies that issuers could use to increase
21 gender identity, racial, ethnic, and sexual ori-
22 entation diversity among board members.

23 (d) ANNUAL REPORT.—Not later than 1 year after
24 the date on which the Advisory Group submits the report
25 required under subsection (c)(2), and annually thereafter,

1 the Commission shall submit to the Committee on Bank-
2 ing, Housing, and Urban Affairs of the Senate and the
3 Committee on Financial Services of the House of Rep-
4 resentatives a report that describes the status of gender
5 identity, racial, ethnic, and sexual orientation diversity
6 among members of the boards of directors of issuers.

7 (e) PUBLIC AVAILABILITY OF REPORTS.—The Com-
8 mission shall make all reports of the Advisory Group avail-
9 able to issuers and the public, including on the website
10 of the Commission.

11 (f) INAPPLICABILITY OF FEDERAL ADVISORY COM-
12 MITTEE ACT.—The Federal Advisory Committee Act (5
13 U.S.C. App.) shall not apply with respect to the Advisory
14 Group or the activities of the Advisory Group.

