

**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.

