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The Honorable Frank Pallone, Jr.
Chairman
U.S. House Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Pallone,

Thank you, Chairwoman Schakowsky, and the House Committee on Energy and Commerce, for convening today's hearing entitled, "Inclusion in Tech: How Diversity Benefits All Americans" and choosing to address this critical issue. I have long served as an advocate for diversity in the private and public sector. As a nation, we are becoming increasingly diverse, both racially and ethnically. The U.S. Census Bureau estimates that more than half of all Americans will belong to a minority group by the year 2044. There is a growing body of research showing a connection between the level of diversity at a company and the strength of its financial performance. As Chairwoman of the Committee on Financial Services, I have most recently pushed for more opportunities for minority communities in the financial services sector through the creation of the Subcommittee on Diversity and Inclusion. Diverse representation in these institutions, and particularly at the management level, is essential to ensure that all consumers have fair access to credit, capital and banking, and financial services. I've found that minorities and women have particularly low representation at the senior management levels within the financial services industry. Unfortunately, women and minorities face a similar reality within the technology sector.

Despite the entire U.S. workforce consisting of roughly equal numbers of men and women, within careers that require a science, technology, engineering or math (STEM) skillset, men outnumber women 4 to 1.¹ This dynamic has worsened since 1985, when approximately 35% of computer science graduates were women, to an unacceptable 17% today.² With so few women joining the technology workforce, their presence should be cherished. Unfortunately, the

¹ Forbes.com. (2019). What Everyone Needs To Know About Diversity In Tech. [online] Available at: <https://www.forbes.com/sites/quora/2018/10/08/what-everyone-needs-to-know-about-diversity-in-tech/#6103653835ad> [Accessed 5 Mar. 2019].

² *Id.*

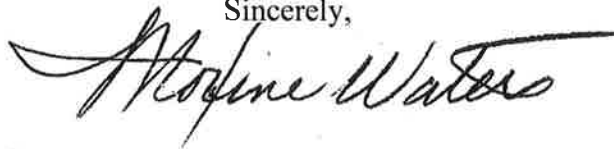
opposite is true: about 41% of women's careers end prematurely due to either a hostile work environment or women earning on average \$16,000 less than their male counterparts.³

The technology industry also suffers from a lack of representation and a failure to treat diverse employees equally. In 2018, Black and Hispanic individuals in the STEM industries made about \$14,000 less than their white coworkers.⁴ The lack of representation also mirrors the same concerns I've witnessed in the financial services sector. For example, according to Google's 2018 diversity report, the company's overall workforce was 53% white, 36% Asian, 4% Hispanic, 3% black and less than 1% American Indian or Alaskan Native, and Native Hawaiian or Pacific Islander.⁵ These statistics are troubling, particularly in light of the fact that the data continues to show that diversity is not just something that improves our cultural understanding of each other, but also makes smart business sense. According to the American Sociological Association, ethnically diverse teams are 33% more likely to be profitable, while teams that do not have any diversity among their staff are 29% more likely to underperform.⁶ The industry and Congress agree that the business case for diversity is clear.

Through the CBCTech2020 initiative, a collaborative effort with Congress, industry, and relevant advocates, the Congressional Black Caucus intends to dramatically improve diversity within the tech industry by the year 2020. Working closely with major tech companies like Facebook and Twitter, I am determined to ensure that all minorities have an opportunity to contribute to the emerging tech industry and the future of the American workforce.

I intend to lead by example and push others in the private and public sector to do the same. We must have these uncomfortable discussions in the light in order to effect change. This is a critical priority for me in the 116th Congress and I pledge to continue to fight to diversify the ranks of companies across the country, from the mailroom to the boardroom. I thank Chairman Pallone, Chairwoman Schakowsky, and the distinguished Members of the Committee on Energy and Commerce for convening this hearing, and for their dedication to this vital effort.

Sincerely,

A handwritten signature in black ink that reads "Maxine Waters". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

MAXINE WATERS

MEMBER OF CONGRESS

³ Myers, B., Watercutter, A., Parham, J. and McMillan, G. (2019). *Women and Minorities in Tech, By the Numbers*. [online] WIRED. Available at: <https://www.wired.com/story/computer-science-graduates-diversity/> [Accessed 5 Mar. 2019].

⁴ *Id.*

⁵ Brown, D. (2019). 2018 Google Diversity Report. [online] [Static.googleusercontent.com](https://static.googleusercontent.com/media/diversity.google/en/static/pdf/Google_Diversity_annual_report_2018.pdf). Available at: https://static.googleusercontent.com/media/diversity.google/en/static/pdf/Google_Diversity_annual_report_2018.pdf [Accessed 5 Mar. 2019].

⁶ Eaton-Cardone, M. (2019). There's an Economic Case for Diversity in Tech. Do You Know What It Is?. [online] Entrepreneur. Available at: <https://www.entrepreneur.com/article/321516> [Accessed 5 Mar. 2019].