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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R.

To require the Securities and Exchange Commission to establish a Diversity Advisory Group to study and make recommendations on strategies to increase gender, racial, and ethnic diversity among the members of the board of directors of issuers, to amend the Securities Exchange Act of 1934 to require issuers to make disclosures to shareholders with respect to gender, racial, and ethnic diversity, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. CAROLYN B. MALONEY of New York introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Securities and Exchange Commission to establish a Diversity Advisory Group to study and make recommendations on strategies to increase gender, racial, and ethnic diversity among the members of the board of directors of issuers, to amend the Securities Exchange Act of 1934 to require issuers to make disclosures to shareholders with respect to gender, racial, and ethnic diversity, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Diversity in Corporate
3 Leadership Act of 2019”.

4 **SEC. 2. DIVERSITY STUDY AND DISCLOSURES.**

5 (a) DIVERSITY ADVISORY GROUP.—

6 (1) ESTABLISHMENT.—The Securities and Ex-
7 change Commission shall establish a Diversity Advi-
8 sory Group (the “Advisory Group”), which shall be
9 composed of representatives from the Government,
10 academia, and the private sector.

11 (2) STUDY AND RECOMMENDATIONS.—The Ad-
12 visory Group shall—

13 (A) carry out a study on strategies to in-
14 crease gender, racial, and ethnic diversity
15 among the members of the board of directors of
16 issuers; and

17 (B) not later than 9 months after the es-
18 tablishment of the Advisory Group, issue a re-
19 port to the Commission, the Committee on Fi-
20 nancial Services of the House of Representa-
21 tives, and the Committee on Banking, Housing,
22 and Urban Affairs of the Senate containing the
23 findings and determinations made in carrying
24 out such study, along with recommendations to
25 increase gender, racial, and ethnic diversity

1 among the members of the board of directors of
2 issuers.

3 (3) ANNUAL REPORT.—Not later than 1 year
4 following the issuance of the report under paragraph
5 (2)(B), and annually thereafter, the Commission
6 shall issue a report to the Committee on Financial
7 Services of the House of Representatives and the
8 Committee on Banking, Housing, and Urban Affairs
9 of the Senate on the status of gender, racial, and
10 ethnic diversity among the members of the board of
11 directors of issuers.

12 (4) PUBLIC AVAILABILITY OF REPORTS.—The
13 Commission shall make all reports of the Advisory
14 Group available to issuers and the public, including
15 on the website of the Commission.

16 (b) DISCLOSURES.—The Securities Exchange Act of
17 1934 (15 U.S.C. 78a et seq.) is amended by inserting after
18 section 14B the following:

19 **“SEC. 14C. DIVERSITY DISCLOSURES.**

20 “The Commission shall, by rule, require each issuer
21 to disclose, in any proxy or consent solicitation material
22 for an annual meeting of the shareholders of the issuer,
23 the gender, racial, and ethnic composition of the issuer’s
24 board of directors and nominees for the board of direc-
25 tors.”.