

Menendez, Booker, Harris Fight for Transparency with Legislation to Promote Corporate Diversity

NAACP, National Urban League, U.S. Chamber of Commerce, and Council of Institutional Investors support the legislation

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WASHINGTON, D.C. – Today, U.S. Senator Bob Menendez (D-N.J.), the Highest Ranking Latino in Congress, and a leading voice in promoting corporate diversity, was joined by Senators Cory Booker (D-N.J) and Kamala Harris (D-Calif.) in introducing legislation to require public companies to disclose specific information related to the racial, gender, and ethnic makeup of corporate boards and senior management. Sen. Menendez's 2017 [Corporate Diversity Survey](#) found that although most Fortune 100 companies believe in the idea of increasing diversity among their senior leadership and corporate boards, few are making tangible progress on the matter.

The Improving Corporate Governance Through Diversity Act of 2019 responds to the findings of Sen. Menendez's Survey and addresses shortcomings in the U.S. Securities and Exchange Commission's diversity disclosure rule. Rep. Gregory Meeks (D-N.Y.) introduced companion legislation in the House.

The bill aligns with Sen. Menendez's calls to the Equal Employment Opportunity Commission (EEOC) to publish employment data in a comprehensive fashion.

"As my Corporate Diversity Survey clearly outlines, there is a diversity problem in our nation's top performing companies," **said Sen. Menendez**. "This bill provides a way forward to promote transparency in corporate America, while highlighting the need for further accountability by companies like the Fortune 100s I have surveyed in the past. As our country undergoes tremendous demographic and economic change, it is time the leaders of America's most successful companies recognize that diversity is not just a buzzword – it's a deliverable."

"In today's ever-changing economy, achieving greater diversity isn't just a box to be checked—it's a national economic imperative," **said Sen. Booker**. "We all do better when new and underrepresented voices are at the table. This bill marks an essential step forward to ensuring that C-suites and boardrooms reflect the diversity of the people they employ, the consumers that use their products and the communities they reside in."

"In the United States of America, our diversity is our strength," **said Sen. Harris**. "When our country's corporate leadership looks more like the rest of the country, it ensures that wider array of perspectives are heard in meetings and board rooms and that the needs and interests of more people are considered. We must do more to hold companies accountable for living up to their own diversity goals and make sure we have reliable data about their progress."

"Diversity has been proven to have a positive impact on business performance, and it is only natural for investors to want to know which companies are choosing to bring in a wealth of different perspectives into their corporate board rooms," **said Rep. Gregory W. Meeks**. "Revealing the gender, racial, ethnic and veteran makeup of these corporate C-suites and boardrooms will not only shed light on the value of diversity, but hopefully encourage corporate shareholders to increase diversity in the highest ranks of their corporations"

Sen. Menendez's 2017 [Corporate Diversity Survey](#) found that despite diversity and inclusion having made their way into the everyday lexicon of America's top performing companies, many companies "talk the talk," without "walking the walk." The vast majority of companies do not set tangible targets to deliver on their self-professed commitment to diversity, with only 37.7% of the surveyed companies including numeric targets for diversity at the executive team levels and only 11.5% of companies setting specific targets for diverse recruitment among their Board of Directors.

The legislation is supported by leading organizations such as the National Association for the Advancement of Colored People (NAACP), the National Urban League, the U.S. Chamber of Commerce, and the Council of Institutional Investors.

"The Improving Corporate Governance Through Diversity Act of 2019 would establish a model to organically boost diversity on boards, rather than the counterproductive quota-driven strategies that some jurisdictions have attempted," **said Suzanne P. Clark, Senior Executive Vice-president of the United States Chamber of Commerce**.

"CII believes the proxy statement disclosures that would be required by the Improving Corporate Governance Through Diversity Act could contribute to enhancing U.S. public company board consideration of diversity consistent with CII policies," **said the Council for Institutional Investors.** "As long-term investors, our members benefit from long-term shareowner value that may result, in part, from embracing diversity."

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