

AUGUST 06, 2021

## Toomey Statement on the SEC's Approval of NASDAQ's Board Diversity Requirements

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**Washington, D.C.** – U.S. Senate Banking Committee Ranking Member Pat Toomey (R-Pa.) released the following statement after the Securities and Exchange Commission (SEC) approved NASDAQ's proposed rule requiring publicly traded corporations to adopt new racial and gender diversity standards for boards of directors.

**“Corporate board rooms, like all organizations, can benefit from a diversity of perspectives, but NASDAQ's one-size-fits-all quota misses the mark. By defining diversity by race, gender, and sexual orientation, NASDAQ's mandate will inevitably pressure companies to subordinate crucial factors such as knowledge, experience, and expertise when selecting board members. These prescriptive requirements may ultimately harm economic growth and investors by pressuring companies to select directors from a narrower pool of candidates and discouraging others from going public. I'm disappointed Chairman Gensler is turning a financial regulator into a laboratory for progressive social engineering.”**

On February 12, 2021, Ranking Member Toomey and all Banking Committee Republicans sent a **letter** to the SEC urging the rejection of NASDAQ's proposed rule.

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