

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3279
OFFERED BY MRS. CAROLYN B. MALONEY OF
NEW YORK**

Strike all after the enacting clause and insert the following:

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

1 (B) not later than 9 months after the es-
2 tablishment of the Advisory Group, issue a re-
3 port to the Commission, the Committee on Fi-
4 nancial Services of the House of Representa-
5 tives, and the Committee on Banking, Housing,
6 and Urban Affairs of the Senate containing the
7 findings and determinations made in carrying
8 out such study, along with recommendations to
9 increase gender, racial, and ethnic diversity
10 among the members of the board of directors of
11 issuers.

12 (3) ANNUAL REPORT.—Not later than 12
13 months following the issuance of the report under
14 paragraph (2)(B), and annually thereafter, the Com-
15 mission shall issue a report to the Committee on Fi-
16 nancial Services of the House of Representatives and
17 the Committee on Banking, Housing, and Urban Af-
18 fairs of the Senate on the status of gender, racial,
19 and ethnic diversity among the members of the
20 board of directors of issuers.

21 (4) PUBLIC AVAILABILITY OF REPORTS.—The
22 Commission shall make all reports of the Advisory
23 Group available to issuers and the public, including
24 on the website of the Commission.

1 (b) DISCLOSURES.—The Securities Exchange Act of
2 1934 (15 U.S.C. 78a et seq.) is amended by inserting after
3 section 14B the following:

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

5 “The Commission shall, by rule, require each issuer
6 to disclose, in any proxy or consent solicitation material
7 for an annual meeting of the shareholders of the issuer,
8 the gender, racial, and ethnic composition of the issuer’s
9 board of directors and nominees for the board of direc-
10 tors.”.

