



PRESS RELEASE

OREGON HOUSE DEMOCRATS

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House Democrats Pass Legislation to Increase Workforce Diversity on Boards of Directors

House Bill 3110 A will require boards of directors from publicly traded corporations to include a minimum number of women and underrepresented communities on their boards

SALEM, OR—Last week House Democrats passed [House Bill 3110 A](#), which will require boards of director from publicly traded corporations to have a minimum number of directors who are women and members of underrepresented communities. The bill, which is part of a [concerted effort](#) in Oregon to increase diversity on its boards and commissions, aims to diversify the workforce and ensure historically excluded populations are given a seat at the table. Boards are an important part of a company, supporting shareholder interests, company goals, and even selecting CEOs.

“It is not the lack of talent or expertise from women or communities of color that impedes greater diversity on boards, but rather, historical bias and inequality at the highest levels of business that continues to stymie diverse leadership opportunities,” said [Rep. Karin Power](#), **co-chief sponsor of the bill**.

The bill responds to the 21st century’s workforce’s evolving needs and changing demographics. While there have been gains in representation across boards, gaps still exist. Currently, women of color hold [just under 5%](#) of board seats on Fortune 500’s largest publicly-traded companies. As of 2019, women [only make up 20%](#) of Russell 3000 board seats, which, while significant, fails to reflect the workforce’s makeup. Research [studies](#) from firms like McKinsey & Company, KMPG and Credit Suisse also show companies with more women directors are more profitable.

“The data is there: when companies are more diverse with different ideas and perspectives at the table, this is reflected in the results the company yields for consumers and investors alike,” said [Rep. Janelle Bynum](#), **co-chief sponsor of the bill**. “As a business owner, I know this first-hand.

It is imperative we have different voices represented to create opportunity for communities who have never had space to lead, but also for the success of our businesses.”

The bill would require the board of directors of publicly traded corporations located in Oregon to have at least one "female" director and one director who is a member of an "underrepresented community" by January 1, 2024. The measure also establishes violations, sets civil penalties, and requires annual reporting by the boards and Secretary of State on compliance with the bill.

“Our economy is about bringing innovative ideas to the table that can be transformed and commodified by businesses to solve every-day needs and problems,” **said bill sponsor, [Rep. Teresa Alonso Leon](#)**. “If women and BIPOC voices, which have historically been excluded from the decision-making process, aren’t there, then we are missing out on important perspectives that can bring innovation and solutions that people need to the market.”

California became the first state to legally compel public companies to add women directors in 2018, and [has already seen results](#).

House Bill 3110 A passed 40-18 and now moves onto the Senate for consideration.

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