



Smart policies for today's families.

March 10, 2021

Testimony in Support of House Bill 3110

Dear Chair Smith Warner, Vice-Chairs Drazan and Holvey, and Members of the House Committee on Rules,

Thank you for the opportunity to provide testimony in support of House Bill 3110. Family Forward Oregon is committed to advancing policies that support women and families of all backgrounds and help them to achieve economic stability. We support HB 3110 which will require a certain number of corporate board seats in Oregon to be filled with women and people from underrepresented communities.

As late as 2018, 61% of Fortune 100 boards were comprised of white men, as opposed to 19% white women, 6% women of color, and 14% men of color. Oregon's largest publicly traded companies show an average of only 21% of board seats that were held by women in 2019. Statistics prove that quotas mandated by legislation work to improve diversity and advance gender equality in the workplace. California was the first state to mandate corporate board diversity, and as a result, California went from a national rank of 32nd in 2018 to 17th by 2020 regarding women on boards.¹ Inclusivity means changing Oregon's business culture to represent the richness and talent of Oregon's population at large, including women from various ethnicities, races, ages, and underrepresented populations.

Accurate representation is not only fair but it is also a good business practice overall. Boards with at least 30% women have higher profit margins and make decisions twice as fast with half the number of meetings. Companies with the most women on their boards outperform those with the least by 26%.² Increasing the number of women on the board of directors adds the value of leveraging the front-line experience and insights of people from a company's primary labor pool. Legislatively mandated quotas for women's board membership are also likely to challenge implicit biases, networks, and recruitment practices.

¹ <https://aauw-or.aauw.net/files/2020/10/Ashland-REPORT.pdf>

² <https://aauw-or.aauw.net/files/2020/10/Ashland-REPORT.pdf>

This current moment of national crises and exposure to societal inequities leads us to an opportunity to strengthen Oregon's corporations by establishing quotas for equity on the boards of its publicly held corporations. It is time for Oregon to step up, because corporations have failed to ensure that their leadership reflects true diversity. A critical mass of diverse corporate board members creates an environment where women, particularly Black, Indigenous, women of color are no longer viewed as outsiders and their viewpoints are valued. Family Forward Oregon urges you to support HB 3110.

Sincerely,
Lisa Kwon, Policy Manager
Family Forward Oregon