



TECHNOLOGY  
ASSOCIATION  
OF OREGON

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March 12, 2021

House Committee on Rules  
900 Court St, NE  
Salem, OR 97301

Chair Smith Warner, Vice Chairs Drazan and Holvey, and members of the committee,

We are submitting this letter regarding HB 3110 on behalf of the Technology Association of Oregon (TAO). TAO is the force behind the regional tech industry—supporting entrepreneurs, connecting peers and decision makers, and helping establish the Northwest as a global hub for innovation. We work with over 500 tech and tech-enabled companies throughout Oregon, ranging in size from one-person startups to some of the largest tech companies in the world. TAO is committed to the advancement of equity and diversity within the tech community and has focused on increasing the diversity of its members, its board of directors and its programming. Through various programming partnerships TAO has:

- Created a women-in-tech cohort engaging 200+ women statewide at all career levels
- Highlighted statewide BIPOC and LGBTQIA+ technologists monthly through the **I Am Tech Oregon** series.
- Launched a statewide employee resource group for Black technologists and LGBTQIA+ technologists convening in 2021.

While TAO supports the underlying goals of HB 3110, increasing the diversity of corporate boards, we have significant concerns with the bill as written. We believe that policies included in HB 3110 should be regulated at the federal level due to the nature of and makeup of publicly traded companies, many of whom have operations and shareholders spread across many states. Additionally, shareholders for these companies are typically the entities that nominate directors and are ultimately responsible for electing directors.

As mentioned in other testimony, the NASDAQ has recommended to the Security Exchange Commission that they adopt new regulations regarding the board diversity of companies listed<sup>1</sup>. TAO anticipates that other exchanges will be following suit. The NASDAQ is the most influential exchange for the technology sector and placing requirements at the federal level is appropriate and ensures that the largest number of corporations are held to these regulations.

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<sup>1</sup> <https://www.nasdaq.com/press-release/nasdaq-to-advance-diversity-through-new-proposed-listing-requirements-2020-12-01>

TAO does acknowledge that these corporations do share some of the responsibility in diversifying their boards. In addition to the ability for any shareholder—no matter the number of shares that person owns—to nominate a board member “from the floor”, many publicly-traded corporations have nominating committees that are responsible for identifying and nominating board members, and these committees are not always the most diverse. But, because of the nature of publicly traded corporations, TAO believes that the best approach for achieving the goals of HB 3110 would be for the State of Oregon to join together with other states in lobbying the SEC to adopt the recommendations put forth by the NASDAQ.

Thank you for your consideration.