

IAA ADVISER ADVOCACY DAY

THURSDAY, JUNE 10, 2021 • VIRTUAL EVENT

Making Advisers' Voices Heard on Capitol Hill

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Advisers Support Diversity, Equity & Inclusion

We recognize that the investment adviser profession benefits from expanded diversity, equity, and inclusion. Our community must address the issues that have resulted in lack of diversity and must make meaningful progress towards change.

To that end, we support efforts like those undertaken by our trade association – the Investment Adviser Association (IAA) – to work with advisers and policymakers to promote diversity, equity, and inclusion as a value for our industry and to provide education, information, and resources to help foster significant progress.

We also support the SEC's goal of promoting DEI in the investment community through its Office of Minority and Women Inclusion (OMWI). We believe data is foundational to addressing diversity in the asset management industry and support OMWI's collection of data to monitor progress and trends and to identify and highlight diversity and inclusion policies and practices that have been successful.

In this regard, **we support H.R. 2123, the "Diversity and Inclusion Data Accountability and Transparency Act,"** recently approved by the House Financial Services Committee. The bill would amend Sec. 342 of the Dodd-Frank Act, which established an OMWI at the SEC, Treasury,

Federal Reserve, OCC, and NCUA. This provision has been interpreted as prohibiting these agencies from requiring regulated entities to respond to OMWI surveys on diversity. The Diversity and Inclusion Data Accountability and Transparency Act would eliminate this prohibition by adding a single sentence to Sec. 342 that would allow these agencies to *require* that regulated entities with more than 100 employees provide information to OMWI.

The ability to measure progress is critically important. For this reason, enactment of the Diversity and Inclusion Data Accountability and Transparency Act would constitute a significant foundational step in addressing diversity in the asset management industry.

We also support the "Improving Corporate Governance Through Diversity Act of 2021" (H.R. 1277), requiring public companies to disclose diversity on their boards, as well as legislation requiring reports to Congress by federal financial regulators on the diversity of their advisory committees.

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