

FACT SHEET

April 14, 2021

Selected Legislative Developments in the United States - 2021

Selected Legislative Developments in the United States on Environmental, Social, and Governance Issues

Updated April 13, 2021

117th Congress

Legislative

United States House of Representatives

Legislation

[H.R. 1277](#), Improving Corporate Governance Through Diversity Act of 2021

To amend the Securities Exchange Act of 1934 to require the submission by issuers of data relating to diversity, and for other purposes.

Current Status: Referred to House Financial Services, Feb 24, 2021

116th Congress: H.R. 5084. Passed House, Nov 19, 2019. Referred to Senate Banking

[H.R. 1187](#), ESG Disclosure Simplification Act of 2021.

To provide for disclosure of additional material information about public companies and establish a Sustainable Finance Advisory Committee, and for other purposes.

Current Status: Introduced in the House, Feb 18, 2021

116th Congress: H.R. 4329. Reported favorably by House Financial Services, Jan 7, 2020

[H.R. 1087](#), Shareholder Political Transparency Act of 2021

To amend the Securities Exchange Act of 1934 to require reporting of certain expenditures for political activities, and for other purposes.

Current Status: Draft discussed at HFSC hearing, Feb 25, 2021

116th Congress: H.R. 5929. Reported favorably by House Financial Services, Dec 8, 2020

[H.Res. 104](#), Recognizing the duty of the Federal Government to implement an agenda to Transform, Heal, and Renew by Investing in a Vibrant Economy ("THRIVE")

Current Status: Referred to the committees on Education and Labor, Energy and Commerce, Transportation and infrastructure, Natural Resources, and Agriculture and numerous subcommittees, Feb 18, 2021

[H.R. 2123](#), Diversity Data Accountability Act

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to require regulated entities to provide information necessary for the Offices of Women and Minority Inclusion to carry out their duties, and for other purposes.

Current Status: Referred to HCFS, Mar 23, 2021

116th Congress: Discussion draft at House Financial Services hearing, Sep 8, 2020

[H.R. 1549](#), To establish the Advisory Committee on Climate Risk on the Financial Stability Oversight Council

Current Status: Referred to House Financial Services, Mar 3, 2020

[H.R. _____](#), Diverse Investment Advisers Act

To require companies registered with the Securities and Exchange Commission, and companies registering securities with the Commission, to consider diverse individual-owned and controlled firms when seeking the services of investment advisers, and for other purposes.

Current Status: Discussed at House Financial Services hearing, Mar 18, 2021

116th Congress: Multiple versions discussed in Congress since June 2019

[H.R. _____](#), Diversity in Financial Regulatory Advisory Committees Act

To require Federal financial agencies to consider at least one gender-diverse candidate and one racially- or ethnically-diverse candidate when appointing members of advisory committees, and for other purposes.

Current Status: Discussed at House Financial Services hearing, Mar 18, 2021

116th Congress: Discussion draft at House Financial Services hearing, Nov 12, 2020

[H.R. _____](#), Promoting Diversity and Inclusion in Banking Act

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to require Federal banking regulators to include a diversity and inclusion component in the Uniform Financial Institutions Rating System, and for other purposes.

Current Status: Discussed at House Financial Services hearing, Mar 18, 2021

116th Congress: H.R. 8160. Referred to House Financial Services, Sep 4, 2020

[H.R. _____](#), Disclosure of Tax Havens and Offshoring Act

To require companies registered with the Securities and Exchange Commission, and companies registering securities with the Commission, to consider diverse individual-owned and controlled firms when seeking the services of investment advisers, and for other purposes.

Current Status: Draft discussed at House Financial Services hearing, Feb 25, 2021

116th Congress: H.R. 5933. Referred to House Financial Services, Feb 21, 2020

[H.R. _____](#), Climate Risk Disclosure Act

To amend the Securities Exchange Act of 1934 to require certain disclosures relating to climate change, and for other purposes.

Current Status: Draft discussed at House Financial Services hearing, Feb 25, 2021

116th Congress: H.R. 3623, Placed on Union Calendar, Oct 27, 2020

[H.R. _____](#), Greater Accountability in Pay Act

To amend the Securities Exchange Act of 1934 to require issuers to disclose information on pay raises made to executives and non-executive employees, and for other purposes.

Current Status: Draft discussed at House Financial Services hearing, Feb 25, 2021

[H.R. _____](#), Paris Climate Agreement Disclosure Act

To amend the Securities Exchange Act of 1934 to require disclosures related to the Paris Climate Agreement, and for other purposes.

Current Status: Draft discussed at House Financial Services hearing, Feb 25, 2021

House Hearings and Markups

House Committee on Financial Services, Subcommittee on Diversity and Inclusion Hearing: [By the Numbers: How Diversity Data Can Measure Commitment to Diversity, Equity and Inclusion](#), Mar 18, 2021

House Committee on Financial Services, Subcommittee on Investor Protection, Entrepreneurship and Capital Markets Hearing: [Climate Change and Social Responsibility: Helping Corporate Boards and Investors Make Decisions for a Sustainable World](#), Feb 25, 2021

United States Senate

Legislation

[S. 374](#), Improving Corporate Governance Through Diversity Act of 2021

To amend the Securities Exchange Act of 1934 to require the submission by issuers of data relating to diversity, and for other purposes.

Current Status: Referred to the Committee on Banking, Housing, and Urban Affairs, Feb 23, 2021

116th Congress: S. 360, Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Feb 6, 2019

[S. 588](#), to establish the Advisory Committee on Climate Risk on the Financial Stability Oversight Council.

Current Status: Referred to the Committee on Banking, Housing, and Urban Affairs, Mar 4, 2021

[S. 530](#), A bill to amend the Securities Exchange Act of 1934 to require shareholder authorization before a public company may make certain political expenditures, and for other purposes.

Current Status: Referred to the Committee on Banking, Housing, and Urban Affairs, Mar 2, 2021

116th Congress: S.1630. Referred to the Committee on Banking, Housing, and Urban Affairs, May 23, 2019

[S. 606](#), A bill to require the Board of Governors of the Federal Reserve System and the Securities and Exchange Commission to issue an annual report to Congress projecting and accounting for the economic costs directly and indirectly caused by the impacts of climate change, to require the Federal Retirement Thrift Investment Board to establish a Federal Advisory Panel on the Economics of Climate Change, and for other purposes.

Current Status: Referred to the Committee on Homeland Security and Governmental Affairs, Mar 4, 2021

[S.Res. 43](#), A resolution recognizing the duty of the Federal Government to implement an agenda to Transform, Heal, and Renew by Investing in a Vibrant Economy ("THRIVE").

Current Status: Referred to the Committee on Health, Education, Labor, and Pensions, Feb 8, 2021

Senate Hearings and Markups

Senate Committee on Banking, Housing, and Urban Affairs Hearing: [21st Century Economy: Protecting the Financial System from Risks Associated with Climate Change](#), Mar 18, 2021

Other Relevant Information and Letters from Congress

[House Financial Services Committee Republicans letter to Treasury Secretary Janet Yellen regarding FSOC consideration of climate change and its impacts on financial stability](#), Mar 30, 2021

[Ranking Member Toomey letter to the President and CEO of the Federal Reserve Bank of San Francisco regarding regional banks of the Federal Reserve System publishing research on environmental, social, and governance \(ESG\)](#), Mar 29, 2021

[Senators Burr, Crapo, and Toomey letter to Acting Secretary of U.S. Department of Labor regarding Enforcement of the DOL Investment Duties Regulation](#), Mar 18, 2021

[Ranking Member Toomey response to SEC's Acting Chair's speech on ESG](#), Mar 15, 2021

116th Congress

Legislative

United States House of Representatives

Legislation

H.R. ____, Diverse Investment Advisers Act

Versions of this legislation have been discussed in Congress since June 2019, but none have been formally introduced. ICI provided a [memo to members](#) on February 21, 2020, on the implications of the draft legislation at the time. Since then, the bill has been further revised. In the latest version of the bill, the requirements to issue an RFP apply only when a new unaffiliated subadviser is hired or an existing unaffiliated subadviser is changed and a

shareholder vote is not required. The latest version further clarifies that all other annual contract renewals are exempt and the bill only applies to externally managed funds.

[H.R.____, Diverse Investment Advisers Act](#)

Latest action: Discussion draft, not yet introduced, Mar 20, 2020

[H.R.____, Diverse Investment Advisers Act](#)

Latest action: Discussion draft, not yet introduced, Mar 6, 2020

[H.R.____, Diverse Investment Advisers Act](#)

Latest action: Discussion draft at the House Committee on Financial Services Hearing, Feb 12, 2020

[H.R.____, Diverse Investment Advisers Act](#)

Latest action: Discussion draft, not yet introduced, Oct 23, 2019

[H.R.____, Diverse Asset Managers Act](#)

Latest action: Discussion draft at the House Committee on Financial Services Hearing, Oct 23, 2019

[H.R.____, Diverse Asset Managers Act](#)

Latest action: Discussion draft at Committee on Financial Services Hearing, Jun 25, 2019

[H.R.____, Mergers and Acquisition Disclosure of Diversity and Inclusion Act](#)

Latest action: Discussion draft at the House Committee on Financial Services Hearing, Feb 12, 2020

[H.R.____, Corporate Human Rights Risk Assessment, Prevention, and Mitigation Act of 2019](#)

Latest action: Discussion draft at the House Committee on Finance Services Subcommittee Hearing, Jul 10, 2019

[H.R.____, To require issuers required to file an annual or quarterly report under the Securities Exchange Act of 1934 to disclose the total amount of corporate tax such issuer paid in the period covered by the report, and for other purpose](#)

Latest action: Discussion draft at the House Committee on Finance Services Subcommittee Hearing, Jul 10, 2019

[H.R.____, Federal Reserve Bank Board Diversity Act](#)

Latest action: Discussion draft at Committee on Financial Services Hearing, Nov 12, 2020

[H.R.____, Diversity Data Accountability Act](#)

Latest action: Discussion draft at Committee on Financial Services Hearing, Sep 8, 2020

[H.R.____, Diversity in Financial Regulatory Advisory Committees Act](#)

Latest action: Discussion draft at Committee on Financial Services Hearing, Nov 12, 2020

[H.R. 8960, Sustainable Investment Policies Act of 2020](#)

Latest action: Referred to the House Committee on Financial Services, Dec 14, 2020

[H.R. 8959, Retirees Sustainable Investment Policies Act of 2020](#)

Latest action: Referred to the House Committee on Education and Labor, Dec 14, 2020

[H.R.8160, Promoting Diversity and Inclusion in Banking Act of 2020](#)

Latest action: Referred to the House Committee on Financial Services, Sep 4, 2020

[H.R. 6891, To amend the Federal Reserve Act to require the Board of Governors of the Federal Reserve System to establish goals for the use of diverse investment advisers, brokers, and dealers in investment management agreements related to the Board of Governor's unusual and exigent circumstances authority, and for other purposes](#)

Latest action: Referred to the House Committee on Financial Services, May 15, 2020

[H.R. 5933, Disclosure of Tax Havens and Offshoring Act](#)

Latest action: Referred to the House Committee on Financial Services, Feb 21, 2020

[H.R. 5930, Workforce Investment Disclosure Act of 2020](#)

Latest action: Reported favorably by the House Committee on Financial Services, Feb 28, 2020

[H.R. 5929, Shareholder Political Transparency Act of 2020](#)

Latest action: Reported favorably by House Committee on Financial Services, Dec 8, 2020, and placed on the Union Calendar, Dec 8, 2020

[H.R. 5084, Improving Corporate Governance Through Diversity Act](#)

Latest action: Passed House Nov 19, 2019, and referred to the Senate Committee on Banking, Housing, and Urban Affairs, Nov 20, 2019

[H.R.4329, ESG Disclosure Simplification Act of 2019](#)

Latest action: Reported favorably by House Committee on Finance Services, Sep 20, 2019, and placed on the Union Calendar, Jan 7, 2020

[H.R. 3624, Outsourcing Accountability Act of 2019](#)

Latest action: Passed House, Oct 18, 2019, and referred to the Senate Committee on Banking, Housing, and Urban Affairs, Oct 21, 2019

[H.R. 3623, Climate Risk Disclosure Act of 2019](#)

Latest action: Placed on the Union Calendar, Oct 27, 2020

[H.R. 3279, Diversity in Corporate Leadership Act of 2019](#)

Latest action: Reported favorably by the House Committee on Financial Services, Jul 11, 2019; see H.R. 5084

[H.R.3088, Shareholder Protection Act of 2019](#)

Latest action: Referred to the House Committee on Financial Services, Jun 4, 2019

[H.R. 1018, Improving Corporate Governance through Diversity Act of 2019](#)

Latest action: Reported favorably by the House Committee on Financial Services, Jul 11, 2019; see H.R. 5084

[H.R. 281, Ensuring Diverse Leadership Act of 2019](#)

Latest action: Passed House, Sep 10, 2019, and referred to the Senate Committee on Banking, Housing, and Urban Affairs, Sep 11, 2019

Hearings and Markups

House Committee on Financial Services Hearing: "[Oversight of Prudential Regulators: Ensuring the Safety, Soundness, Diversity, and Accountability of Depository Institutions](#)

[during the Pandemic”](#)

Nov 12, 2020

House Committee on Financial Services Subcommittee on Diversity and Inclusion Hearing: [“Holding Financial Regulators Accountable for Diversity and Inclusion: Perspectives from the Offices of Minority and Women Inclusion”](#)

Sep 8, 2020

House Committee on Financial Services Subcommittee on Diversity and Inclusion Hearing: [“Challenges for Women- and Minority-Owned Businesses Accessing Capital and Financial Services During the Pandemic”](#)

Jul 9, 2020

[House Committee on Financial Services Markup re: H.R. 281, H.R. 1018, H.R. 3279](#)

Jul 11, 2019

House Committee on Financial Services Subcommittee on Diversity and Inclusion Hearing: [“A Review of Diversity and Inclusion at America’s Large Banks”](#)

Feb 12, 2020

House Committee on Financial Services Hearing: [“Oversight of Prudential Regulators: Ensuring the Safety, Soundness, Diversity, and Accountability of Depository Institutions?”](#)

Dec 04, 2019

House Committee on Financial Services Hearing: [“An Examination of Facebook and Its Impact on the Financial Services and Housing Sectors”](#)

Oct 23, 2019

House Committee on Financial Services Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets Hearing: [“Examining Corporate Priorities: The Impact of Stock Buybacks on Workers, Communities, and Investors”](#)

Oct 17, 2019

House Committee on Financial Services Hearing: [“Oversight of the Securities and Exchange Commission: Wall Street’s Cop on the Beat”](#)

Sep 24, 2019

House Committee on Financial Services Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets Hearing: [“Building a Sustainable and Competitive Economy: An Examination of Proposals to Improve Environmental, Social, and Governance Disclosures”](#)

Jul 10, 2019

House Committee on Financial Services Subcommittee on Diversity and Inclusion Hearing: [“Diverse Asset Managers: Challenges, Solutions and Opportunities for Inclusion”](#)

Jun 25, 2019

House Committee on Financial Services Hearing: [“Diversity in the Boardroom: Examining Proposals to Increase the Diversity of America’s Boards”](#)

Jun 20, 2019

House Committee on Financial Services Hearing: [“Promoting Economic Growth: A Review of Proposals to Strengthen the Rights and Protections for Workers”](#)

May 15, 2019

United States Senate

Legislation

[S. 3367, Diversity in Corporate Leadership Act of 2020](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Mar 2, 2020

[S. 3361, Workforce Investment Disclosure Act of 2020](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Feb 27, 2020

[S. 2075, Climate Risk Disclosure Act of 2019](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Jul 10, 2019

[S. 1843, Outsourcing Accountability Act of 2019](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Jun 13, 2019

[S. 1630, Shareholder Protection Act of 2019](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, May 23, 2019

[S. 1609, Disclosure of Tax Havens and Offshoring Act](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, May 22, 2019

[S. 360, Improving Corporate Governance Through Diversity Act of 2019](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Feb 6, 2019

[S. 65, Ensuring Diverse Leadership Act of 2019](#)

Latest action: Referred to the Senate Committee on Banking, Housing, and Urban Affairs, Jan 9, 2020

Hearings and Markups

Committee on Banking, Housing, and Urban Affairs: "[Oversight of Financial Regulators](#)"
Nov 10, 2020

Committee on Banking, Housing, and Urban Affairs: "[The Application of Environmental, Social, and Governance Principles in Investing and the Role of Asset Managers, Proxy Advisors, and Other Intermediaries](#)"
Apr 2, 2019

Other Relevant Information and Letters from Congress

[Letter from Congressmen Boyle and Levin and Congresswoman DelBene to Department of Labor Secretary Scalia on Proposed ESG Investing Rule](#)
Jul 20, 2020

[Senator Whitehouse Letter to CFTC on Financial Risks of Climate Change](#)

May 14, 2020

House Committee on Financial Services Majority Staff Report “[Diversity and Inclusion: Holding America’s Large Banks Accountable](#)”

Feb 12, 2020

[House Committee on Financial Services Press Release Declaring that More Work Is Needed to Improve Diversity at Megabanks](#)

Aug 13, 2019

[House Committee on Financial Services Committee Press Release Announcing Congresswomen Waters’ and Beatty’s Letter to 37 Bank-Holding Companies Regarding Diversity](#)

Jun 6, 2019

[Senator Schatz Press Release Announcing Letter Sent to Financial Firms Calling on Them to Help Stop Global Deforestation](#)

Feb 4, 2019

[Senator Whitehouse Press Release Announcing Letter to Major Investing Firms to Pay Attention to Funding of Climate Denier Group](#)

Jul 11, 2019

[Senator Warner Letter Requesting GAO Report on Public Company ESG Disclosure](#)

Jul 19, 2019

Industry Studies and Reports

[Public Companies: Disclosure of Environmental, Social, and Governance Factors and Options to Enhance Them](#), United States Government Accountability Office

Jul 2, 2020

[Diversifying Investments: A Study of Ownership Diversity and Performance in the Asset Management Industry](#), Knight Foundation

Jan 28, 2019

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