

March 10, 2021

Chair Smith Warner, Vice Chairs Drazon and Holvey, and Members of the Committee:

As a member of the American Association of University Women (AAUW) of OR, I respectfully request your support for House Bill 3110.

Passage of this bill is a matter of both ethics and profit.

The United States is a country of diversity, and our institutions, both public and private, should respect and mirror that. Nor can one argue that there aren't sufficient numbers of "qualified" women and people of color. That is measurably inaccurate and offensive. Further, a diverse board has greater outreach to stakeholders and brings a wider lens for decision-making.

It is actually a win-win situation. Diversity is good for business. It increases competitive advantage and the bottom line (McKinsey & Company 2018). Research shows that boards with at least 30 percent 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 outperformed those with the least by 26 percent based on return on invested capital. Companies with sustained high representation of women board directors significantly outperformed those with sustained low representation by 84 percent on return on sales, by 60 percent on return on operating capital, and by 46 percent on return on equity.¹

Both California and Washington have passed legislation requiring a quota for women on publicly held corporate boards headquartered in their states, and fourteen other states have either passed or are in the process of legislating their own bills to address women's inequity on corporate. Oregon should be among the first, not be last.

Inclusivity means changing Oregon's business culture to represent – and take advantage of -- the full richness and talent of Oregon's population.

Thank you for your support of House Bill 3110.

Sincerely,

Mary Pat Silveira

West Linn, Oregon

¹ AAUW Oregon, "The Case for Legislation Mandating Gender Diversity on the Boards of Oregon's Publicly Held Companies," 2000 Report of Findings. This report is available at aauw-or.aauw.net

