

LATINO VOICES FOR BOARDROOM EQUITY

Statement on Governor Newsom's Signing of AB 979

[Latino Voices for Boardroom Equity](#), a partnership formed by The Latino Corporate Directors Association ([LCDA](#)) and leading business and civic leaders including the League of United Latin American Citizens ([LULAC](#)), [UnidosUS](#), the Mexican American Legal Defense Fund ([MALDEF](#)), the United States Hispanic Chamber of Commerce ([USHCC](#)), the Association of Latino Professionals for America ([ALPFA](#)), and the National Hispanic Media Coalition ([NHMC](#)), congratulates Governor Newsom and [AB 979](#) Co-Authors Assemblymember Holden, Assemblymember Cristina Garcia, Assemblymember Chiu, Assemblymember Reyes, and Senator Hueso, on the enactment of a law requiring California-based public corporations to include directors from underrepresented communities, including US Latinos, on their company's boards of directors.

California has taken a leadership role in confronting the systemic exclusion of Latinos and other underrepresented groups in corporate boardrooms. Latinos make-up nearly 40% of California's population, but are the least represented at the executive level and board of directors of California public companies.

In building the case for [AB 979](#), the bill [cited LCDA's recent study of all 662 California-based public companies](#) which found that 35%, or 233 of these corporations, had all white boards of directors; and, 87%, or [571 California public companies](#) had no Latino representation on their boards. These low numbers are in stark contrast to the size and economic strength of California's Latino population. California is home to [15.5 million](#) Latinos with [\\$320 billion](#) in annual purchasing power, and [800,000 Latino business owners](#). [US Latino consumers are the economic engine of the country](#), making up 18.3% of the population and commanding \$2.6T GDP and driving consumption growth in every mass consumer category.

The Latino Voices initiative plans to assess progress and compliance with the new law; asserting that diversity without the inclusion of Latinos is not acceptable:

1. Public corporations must triple Latino representation on public company boards by 2023.
2. Latino Voices will act to target corporations with no Latino representation.
3. LCDA will track progress through publication of a quarterly scorecard.

California public companies, who depend on the Latino community for consumer growth, cannot be effectively governed without Latino voices on their board. We are outraged that companies like **Facebook, Netflix, PayPal, PG&E, Molina Healthcare, Ross Stores, Chipotle Mexican Grill, El Pollo Loco, and Del Taco Restaurants** have no Latinos on their board of directors. That is why we have written to these companies to make the business case for Latino directors. Supply is not the issue. We stand ready to provide California corporations with experienced and board-ready director candidates for boardroom placement.

We thank Governor Newsom and the California State Legislature for addressing the lack of Latinos and other underrepresented groups in the boardroom.

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