

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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April 06, 2016  
Start: 11:17 a.m.  
Recess: 11:21 a.m.

HELD AT: 250 Broadway-Committee Rm, 14<sup>th</sup> Fl.

B E F O R E: DANIEL R. GARODNICK  
Chairperson

COUNCIL MEMBERS: Julissa Ferreras-Copeland  
Joseph C. Borelli  
Elizabeth S. Crowley  
(?) Richards

A P P E A R A N C E S (CONTINUED)

1 COMMITTEE ON ECONOMIC DEVELOPMENT

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2 [sound check, pause]

3 [gavel]

4 CHAIRPERSON GARODNICK: Welcome to the  
5 Committee on Economic Development. My name is Dan  
6 Garodnick and I have the privilege of chairing this  
7 committee. In attendance today we have a variety of  
8 council members. We have Council Member Ferreras-  
9 Copeland, Council Member Borelli, council member  
10 Miller, council member Crowley, and who is that  
11 Council Member Richards at the end and we are going  
12 to be voting today on proposed Intro 704(a), a bill  
13 which will create greater transparency of gender,  
14 racial, and ethnic diversity of the boardrooms of  
15 contractors who do business with New York City. The  
16 bill, sponsored by council member Crowley requires  
17 the Department of Small Business Service to create  
18 and distribute a voluntary survey about the gender,  
19 racial, and ethnic makeup of companies that are  
20 contracted to do business with the City. The results  
21 of these surveys will be aggregated into a single  
22 report which will give us a good understanding of the  
23 demographics of our contractors board rooms. The  
24 scope and the strength of plans to increase diversity  
25 in executive level positions, and what more, we as a

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2 council can do to ensure that our boardrooms are as  
3 diverse as the city in which they do business.  
4 corporate boards make the crucial decisions that  
5 guide a company. Having under represented voices on  
6 these boards is an integral part of insuring the  
7 companies make wise decisions that reflect the needs  
8 of all their customers and employees. Corporate  
9 boards can make important decisions on paid family  
10 leave for employees, how to best enter new markets,  
11 and ultimately the sustainability and future of the  
12 business. Further, recent studies including one by  
13 Credit Suisse(?) showed that companies with more  
14 diversified boards do in fact yield better returns.  
15 The Credit Suisse(?) study found that the presence of  
16 at least one woman on a board of directors can make a  
17 difference. Companies with one woman on the board  
18 have seen an average return on equity of 14.1% since  
19 2005 compared to 11.2% for all male boards. The  
20 benefits are clear which is why the bill is crucial  
21 to help us understand how diverse our corporate  
22 boards are right now and how the city can create  
23 policies to encourage that moving forward. I look  
24 forward to seeing the results of the information and  
25 analysis and I want to recognize council member

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2 Crowley for all of her hard work on this very, very  
3 good bill that will allow us to better understand  
4 where we stand in our boardrooms. Council member  
5 Crowley, thank you. I would love to give you an  
6 opportunity to say a few words about the bill.

7 COUNCIL MEMBER CROWLEY: Thank you.

8 Thank you Chair Dan Garodnick for holding today's  
9 hearing and for the support on this bill. Today's  
10 vote is recognizing that when companies embrace  
11 gender and racial diversity within leadership  
12 positions, those companies outperform the companies  
13 who do not. Intro 74(a) would require the Department  
14 of Small Business Services to conduct a survey of  
15 city contracted businesses to obtain the demographics  
16 of these companies, board members, directors,  
17 officers, and executive level staff. In addition,  
18 the survey would request that the companies disclose  
19 their respective plans to improve diversity and the  
20 measures taken to achieve such plans. This  
21 legislation also requires that the Mayor produce a  
22 report which will be made public, analyzing the data  
23 collected from the survey. The legislation was  
24 introduced to further promote transparency concerning  
25 the composition of leadership positions at the many

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2 companies the city procures for goods and services.  
3 Additionally, numerous studies and data show that  
4 companies with diverse boards perform better in both  
5 economic and social terms. New York City currently  
6 has no data on the gender and racial makeup of board  
7 members and executives of those companies that do  
8 direct business with the city and this legislation  
9 will bring New York City on par with numerous cities  
10 and states and countries that collect this  
11 information. I would like to thank my co-prime  
12 sponsor, council member Darlene Maley(?) and my  
13 colleagues for their support on this bill and all of  
14 the advocates who have worked so hard to push this  
15 legislation forward. I would also like to thank the  
16 committee council, central staff, my staff for their  
17 work in drafting this bill. I look forward to this  
18 bill becoming a law and creating a city where all New  
19 Yorker's can succeed and again, I want to thank the  
20 chair of the committee, council member Dan Garodnick  
21 for his support and for the vote today. Thank you.

22 CHAIRPERSON GARODNICK: Thank you council  
23 member. Comments from colleagues? If none we are  
24 going to call a vote on this measure and the Chair is

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2 recommending an Aye on 704(a) and will ask our clerk  
3 to call the role.

4 COMMITTEE CLERK, WILLIAM MARTIN: Role  
5 call vote Committee on Economic Development: Chair  
6 Garodnick.

7 CHAIRPERSON GARODNICK: I vote aye.

8 COMMITTEE CLERK, WILLIAM MARTIN:  
9 Ferreris-Copeland.

10 COUNCIL MEMBER FERRERIS-COPELAND: I vote  
11 aye.

12 COMMITTEE CLERK, WILLIAM MARTIN:  
13 Richards.

14 COUNCIL MEMBER RICHARDS: I vote aye.

15 COMMITTEE CLERK, WILLIAM MARTIN: Barron.

16 COUNCIL MEMBER BARRON: I vote aye.

17 COMMITTEE CLERK, WILLIAM MARTIN: Miller.

18 COUNCIL MEMBER MILLER: Proudly on this  
19 progressive, ground breaking legislation, I vote aye.

20 COMMITTEE CLERK, WILLIAM MARTIN:  
21 Borelli.

22 COUNCIL MEMBER BORELLI: Aye.

23 COMMITTEE CLERK, WILLIAM MARTIN: By a  
24 vote of six in the affirmative, zero in the negative,  
25 and no objection(?), item has been adopted.

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2 CHAIRPERSON GARODNICK: Thanks to all.

3 This committee is adjourned.

4 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date April 13, 2016