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January 20, 2023

Tina T. Williams,
Director, Division of Policy and Program Development
Office of Federal Contract Compliance Programs
U.S. Department of Labor
200 Constitution Avenue NW, Room C-3325
Washington, DC 20210

Re: Comments on Supply and Service Program; Proposed Approval of Information Collection Requirements; FR Doc. 2022–25311

Dear Ms. Williams:

The Economic Policy Institute (EPI) is a nonprofit, nonpartisan think tank created in 1986 to include the needs of low- and middle-income workers in economic policy discussions. EPI conducts research and analysis on the economic status of working America, proposes public policies that protect and improve the economic conditions of low- and middle-income workers, and assesses policies with respect to how well they further those goals. EPI submits these comments on the Office of Federal Contract Compliance Programs' (OFCCP) request for reauthorization of its compliance review scheduling letter. EPI strongly supports the proposal that the scheduling letter collect more detailed and complete information at the outset of a compliance review.

A significant portion of the American workers stand to benefit from enhanced contractor compliance. OFCCP has jurisdiction over approximately 120,000 contractor establishments and 25,000 firms, which employ approximately 20% of the American workforce. And with the new historic federal investments for infrastructure and economic recovery, many more businesses will become federal contractors subject to OFCCP oversight. Enhancing OFCCP's ability to make good jobs free from discrimination available to all is especially critical. This change is essential for OFCCP to conduct more efficient, consistent, and effective reviews of federal contractors' compliance with nondiscrimination and equal employment opportunity requirements.

Despite long standing protections under the law, working people across the United States continue to experience employment discrimination that robs them of employment opportunities, economic security, and dignity on the job.¹ The cost of discrimination for people of color,

¹ See, e.g., U.S. Equal Employment Opportunity Commission, *Enforcement and Litigation Statistics*, <https://www.eeoc.gov/data/enforcement-and-litigation-statistics-0>; Office of Federal Contract Compliance Programs, *OFCCP By the Numbers*, available at <https://www.dol.gov/agencies/ofccp/about/data/accomplishments>.

women, LGBTQ+ people, people with disabilities, veterans, and other marginalized and multi-marginalized groups is significant. Black workers, and Black women workers specifically, face the acute challenges of occupational segregation – overrepresentation of black workers, and in low-wage occupations and underrepresentation in higher-wage occupations.² Both workplace discrimination and occupational segregation can prevent access to a job or a promotion, cause a hostile working environment, or lower pay — all because of who you are. These unlawful practices inhibit economic security and opportunity and help to perpetuate disparities in health outcomes, housing, education, and more.

OFCCP is unique in being able to conduct systemic compliance reviews as part of its enforcement authority. Through compliance reviews, OFCCP can proactively identify, investigate, and remedy patterns of discrimination, even in the absence of an individual complaint, and can evaluate contractors' compliance with affirmative action obligations. The scheduling letter, which OFCCP now proposes to revise, is the document OFCCP uses to notify contractors that they have been selected to undergo a compliance review and identifies the initial information those contractors must provide.

OFCCP proposes that its scheduling letter request more detailed and specific information from contractors at the outset of compliance reviews. Updating the scheduling letter to obtain critical information at the beginning of the compliance review will support OFCCP's goal of strengthening the effectiveness of its compliance evaluations, promoting greater contractor compliance, and ultimately benefiting more workers. It will also encourage employers to self-audit the employment systems referenced in OFCCP's updated requests (e.g., technology-based employment systems) to identify potential EEO issues *before* they are selected for a compliance review by the OFCCP. The new information would include:

- Existing employment policies concerning equal opportunity, including anti-harassment policies, EEO complaint procedures, and employment agreements, such as arbitration agreements, that impact employees' equal opportunity rights and complaint processes. Having this information at the outset is essential for OFCCP to understand the contractors' systems and proceed with an informed and targeted review.
- More details about the number of qualified people of color and women available for employment in each job group, enhancing OFCCP's ability to evaluate contractors' affirmative action programs.

² Valerie Wilson and William Darity Jr, [Understanding black-white disparities in labor market outcomes requires models that account for persistent discrimination and unequal bargaining power](#), Economic Policy Institute, 2022.

- More detailed information about promotions and terminations, including information necessary to make the review meaningful, such as whether the promotions were competitive and the reason for termination.
- New information on the contractor's use of technology-based employment selection procedures, including artificial intelligence, algorithms, and automated systems, made essential given the documented potential for bias in such systems.³

If authorized as proposed, these changes will speed the pace of reviews, conserve scarce agency resources, provide additional clarity for employers as to their obligations, and enable OFCCP to more quickly and accurately identify both potential problem areas and successes.

OFCCP has tailored the proposed changes to the scheduling letter to minimize the additional burden on contractors. As the agency explains, the new scheduling letter would reduce contractor uncertainty over what documentation is sufficient for the review and enhance review efficiency for both the contractor and OFCCP. For these reasons, EPI strongly supports the proposed reauthorization of its compliance review scheduling letter.

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³ Manish Raghavan & Solon Barocas, *Challenges for mitigating bias in algorithmic hiring*, Brookings (Dec. 6, 2019), <https://www.brookings.edu/research/challenges-for-mitigating-bias-in-algorithmic-hiring/> (“Left unchecked, algorithms can perpetuate the same biases and discrimination present in existing hiring practices.”); Miranda Bogen, *All the Ways Hiring Algorithms Can Introduce Bias*, Harvard Business Review (May 6, 2019), <https://hbr.org/2019/05/all-the-ways-hiring-algorithms-can-introduce-bias>.