



Rebecca Dixon
Executive Director

www.nelp.org

NELP National Office
90 Broad Street
Suite 1100
New York, NY 10004
212-285-3025

Washington DC Office
1350 Connecticut Avenue NW,
Suite 1050
Washington, DC 20036
202-887-8202

California Office
2030 Addison Street
Suite 420
Berkeley, CA 94704
510-982-5945

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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

Submitted via regulations.gov

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

Dear Ms. Williams:

The National Employment Law Project (NELP) appreciates the opportunity to comment on the Office of Federal Contract Compliance Programs' (OFCCP) request for reauthorization of its compliance review scheduling letter. NELP is a nonprofit research, policy, and capacity building organization that for more than 50 years has sought to strengthen protections and build power for workers in the U.S., including workers who are unemployed. For decades, NELP has researched and advocated for policies that create good jobs, expand access to work, and strengthen protections and support for underpaid and jobless workers both in the workplace and when they are displaced from work. Our primary goals are to build worker power, dismantle structural racism, and ensure economic security for all.

We wholeheartedly support the proposal that the scheduling letter collect more detailed and complete information at the outset of a compliance review. 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. As Director Yang has concluded, enhancing the effectiveness of these compliance reviews will "positively impact more workers" through increased contractor compliance.

A significant portion of 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.

NELP has long been an advocate for policies which make federal contract jobs the best jobs they possibly can be. Tax dollars should only be used to create good jobs which foster strong economies in the communities in which those federal contracts are serviced. Given how large the federal contracted workforce is, improving these jobs also drives positive change in other jobs at those same employers and in those communities, as businesses compete for qualified workers. It is a virtuous cycle and OFCCP should use all the tools at its disposal to ensure quality jobs.

Despite longstanding 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. The cost of discrimination for people of color, women, LGBTQ+ people, people with disabilities, veterans, and other marginalized and multi-marginalized groups is significant. Workplace discrimination 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.

NELP is particularly concerned with using every lever possible to reverse the impact of occupational segregation in the United States, which reflects the systemic and structural racism built into the economy that marginalizes people of color. Black workers are “crowded” into industries with poor working conditions, wages, and job security. Black women in particular are sorted into low-wage service sector occupations and five occupations account for more than half of all the jobs in which Black women work.

When companies have the privilege of contracting with the federal government, they not only must refrain from employment discrimination, but also must agree to take affirmative steps to promote employment opportunities for individuals who are members of certain underrepresented groups. These affirmative steps include proactively monitoring workplace equal employment opportunity and pay equity, making a meaningful effort to recruit qualified applicants from groups who are underrepresented in their workplaces, and breaking down barriers to equal opportunity for veterans and individuals with disabilities. Federal contractors subject to these requirements have better records when it comes to equal employment opportunity than employers who are not federal contractors. OFCCP oversees and enforces compliance with these nondiscrimination and affirmative action requirements.

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.
- A list of any programs the contractor developed to respond to problem areas identified in the contractor's required analyses of their employment process, enabling OFCCP to better tailor its review process.
- More complete information on compensation practices, including documentation of contractors' compensation analyses and two years of compensation data, rather than one.
- Additional information about the contractor's outreach and recruitment efforts to individuals with disabilities and veterans. This level of detail will require more than the current cursory summaries from the contractors, making OFCCP analysis more informed.
- 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.
- For post-secondary institutions and contractors with "campus-like settings" (e.g. hospitals or information technology companies), the relevant information for all AAPs for the campus as a whole. This clarification ensures that OFCCP will have complete and holistic information regarding the campus and enhances the efficiency of the review.

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. And it would have minimal impact on small businesses, given limited recordkeeping and reporting requirements for contractors with relatively few employees.

Accordingly, we enthusiastically support OFCCP's requested authorization of the enhanced compliance review scheduling letter and encourage the agency to finalize it without change.

Sincerely,

Judith M. Conti
Government Affairs Director